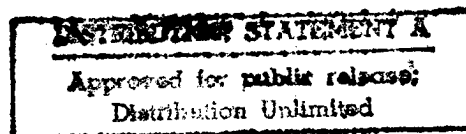


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JPRS-SEA-85-153

7 October 1985

Southeast Asia Report



19980729 144

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7 October 1985

SOUTHEAST ASIA REPORT

CONTENTS

INTER-ASIAN AFFAIRS

Briefs

New Palau President	1
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BURMA

Major Operation Against SUA Prepared (THE NATION, 22 Sep 85)	2
Summary of Central Committee Report (FORWARD, Sep 85)	4
Fifth Four-Year Plan Guidelines (FORWARD, Sep 85)	19
General Secretary Replies on Political Report (FORWARD, Sep 85)	22
Resolutions of 5th Party Congress (FORWARD, Sep 85)	37
General Secretary Meets With Regional Committees (FORWARD, Sep 85)	41

INDONESIA

Australian Ambassador Briefed on Development in Irian Jaya (ANTARA NEWS BULLETIN, 4 Sep 85)	43
International Organizations Urged To Save Polish Catholics (ANTARA NEWS BULLETIN, 2 Sep 85)	45
Islamic Teacher Jailed for Inflammatory Lectures (KOMPAS, 10 Sep 85)	46

Bank Asset Figures Reported (ANTARA NEWS BULLETIN, 2 Sep 85)	47
Foreign Banks Permitted To Operate Outside Jakarta (ANTARA NEWS BULLETIN, 6 Sep 85)	49
Low-Interest Export Credits Granted (ANTARA NEWS BULLETIN, 4 Sep 85)	51
Trade Surplus Reported (ANTARA NEWS BULLETIN, 5 Sep 85)	53
Rat Pest, Expansion of Food Crops Plantation Reported (ANTARA NEWS BULLETIN, 2 Sep 85)	54
BUSINESS NEWS Views Protection for Industries (BUSINESS NEWS, 4 Sep 85)	55
Production Sharing Contracts With Sceptre Resources Signed (BUSINESS NEWS, 4 Sep 85)	58
First Nylon Tire Cord Plant Inaugurated (ANTARA NEWS BULLETIN, 29 Aug 85)	61
Nurtanio To Produce Wide-Bodied Planes (ANTARA NEWS BULLETIN, 1 Sep 85)	63
Niigata Engineering To Produce Diesel Engines Here (ANTARA NEWS BULLETIN, 5 Sep 85)	64
Value of LNG Exports Up (ANTARA NEWS BULLETIN, 2 Sep 85)	65
Union Oil Wells Come on Stream (ANTARA NEWS BULLETIN, 6 Sep 85)	66
East Germany Buys Indonesian Rubber (ANTARA NEWS BULLETIN, 4 Sep 85)	67
ASEAN Fertilizer Plant Reports First-Year Profit (ANTARA NEWS BULLETIN, 6 Sep 85)	68
LAOS	
'Ka-Han' Dialogue on Abortive Coup in Thailand (Vientiane Domestic Service, 12 Sep 85)	69
Pol Pot's Retirement Likened to Deng Xiaoping (Vientiane Domestic Service, 6 Sep 85)	72

Vientiane on Pol Pot Resignation, Nature of CGDK (Vientiane Domestic Service, 10 Sep 85)	74
Continued Thai Holding of Border Villagers Denounced (Vientiane Domestic Service, 7 Sep 85)	76
Past Relations With Thailand Reviewed (Vientiane Domestic Service, 18 Sep 85)	78
PASASON on People's Duty To Defend Country (Vientiane Domestic Service, 15 Sep 85)	81
Vientiane Radio Carries Feature on Bokeo Province (Vientiane Domestic Service, 19 Sep 85)	83
Phoumi Vongvichit Attends Victory Photo Exhibit (Vientiane Domestic Service, 4 Sep 85)	85
Briefs	
Vongvichit Receives SRV Friendship Group	86
Message From Malaysia	86
Danish Delegation Departs	86
Flood Damage in Oudomsai	87

MALAYSIA

VOPM on Establishment of New Political Party (Voice of the People of Malaysia, 10 Sep 85)	88
General 'Not Aware' of SRV Spies Among Refugees (Sabry Sharif; NEW SUNDAY TIMES, 8 Sep 85)	90
Patrols Increase To Enforce Economic Zone (NEW STRAITS TIMES, 7 Sep 85)	92
Opening to Afghan Mujahidin Office Hailed (Kuala Lumpur International Service, 12 Sep 85)	93
Soviet Embassy Rejects Youth Protest on Afghanistan (NEW STRAITS TIMES, 12 Sep 85)	95
Briefs	
Thai Coup Attempt	97
Leaders Congratulate Bulgarian Counterparts	97
Maldivian President Visit	97

NEW ZEALAND

Wellington Appoints High Commissioner to UK (Robin Charteris; THE EVENING POST, 7 Sep 85)	98
--	----

Labor Party Conference Debates ANZUS (Brian Woodley; THE EVENING POST, 2 Sep 85)	100
Paper Views Labor Government's Stand on ANZUS (Editorial; THE EVENING POST, 3 Sep 85)	103
Lange Comments on Party Conference Resolutions (THE EVENING POST, 4 Sep 85)	105
Police Shift Suspects in Rainbow Warrior Case (THE EVENING POST, 5 Sep 85)	107
Scientist Sees No Radiation Danger From Mururoa Atoll (Laurent Bijard; AFP, 6 Sep 85)	109
Lange Scores Reporting on Suspects' Prison Facilities (AFP, 9 Sep 85)	111
Paper Views Kiribati-USSR Fishing Accord (Editorial; THE EVENING POST, 2 Sep 85)	112
Briefs	
Diesel Fuel Purchased From PRC	114
Asking U.S. Support Denied	114
SOLOMON ISLANDS	
Briefs	
New Diplomatic Representation	115
THAILAND	
Academic Views 'Decline' in Relations With United States (Prasoet Chittiwatthanaphong; WIWAT, 10-16 Sep 85)	116
Columnist Sees U.S. MIA Issue Linked to Cambodia (Sunthon Wathi; THAI RAT, 31 Aug 85)	118
Columnist Scores Reagan on South Africa (Sunthon Wathi; THAI RAT, 29 Aug 85)	120
Daily Discusses Need for Cabinet Reshuffle (Editorial; THAI RAT, 19 Sep 85)	122
Columnist Urges Prime Minister To Call Elections (Khanin Bunsuwan; MATICHON, 20 Sep 85)	123
Thai Nation Party Leadership Meeting, Dispute Reported (THAI RAT, 31 Aug 85)	125

Government Called on To Clarify Coup Plot (Editorial; NAE0 NA, 14 Sep 85)	128
Dailies on Kriangsak Role in Coup Attempt (Various sources, 13 Sep 85)	130
Editorials Consider 9 September Coup Attempt (Various sources, 12 Sep 85)	132
Papers Carry Editorials on 9 Sep Coup (Various sources, 10, 11 Sep 85)	134
Columnist Urges Military To Investigate Coup (Hoenfa Kindin; SIAM RAT, 11 Sep 85)	136
Phichit Dismisses 'Rumors' on Coup Role (THAI RAT, 20 Sep 85)	138
Daily Cites Reports of SRV Troop Movements (SIAM RAT, 17 Sep 85)	139
Singoen Comments 'No Permanent Enemies', Seeks Indochina Trade (Pleo Singoen; THAI RAT, 4 Sep 85)	140
Ex-General's Kin Suspected in New Share Swindle (THAI RAT, 30 Aug 85)	142
Briefs	
Ambassador to Italy	144
FRG Assistance	144
Professor Involved in Coup	144
Budget Bill Passes	144
Coup Plotters List Compiled	145
Messages on Coup	145

CAMBODIA

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

Khieu Samphan Message to Egypt Foreign Minister (Khieu Samphan; Voice of the National Army of Democratic Kampuchea, 24 Sep 85)	146
VODK Commentary Urges More Pressure on Vietnam (Voice of Democratic Kampuchea, 22 Sep 85)	147
Khieu Samphan Thanks SFRY Foreign Minister (Khieu Samphan; Voice of the National Army of Democratic Kampuchea, 23 Sep 85)	149

VODK Reports DK Troops Battle Activities (Voice of Democratic Kampuchea, 23 Sep 85)	150
Sihanouk Denounces 'Vietnamization' of Cambodia (Voice of Democratic Kampuchea, 23 Sep 85)	153
Phnom Penh 'Ordered' To Send Letter to UN (Voice of the National Army of Democratic Kampuchea, 20 Sep 85)	154
Cambodian Soldiers Desert (Voice of the National Army of Democratic Kampuchea, 24 Sep 85; Voice of Democratic Kampuchea, 24 Sep 85) ...	155

VIETNAM

INTERNATIONAL RELATIONS, TRADE AND AID

PRC, Others Send National Day Greetings (VNA, 11 Sep 85)	157
Agreement Made With Sweden To Improve Bai Bang Labor Conditions (DAGENS NYHETER, 8 Sep 85)	159

ECONOMIC PLANNING, TRADE AND FINANCE

Article Discusses Socialist Socialization of Production (Tran Trung Hau; TAP CHI KE HOACH HOA, Jun 85)	161
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INTER-ASIAN AFFAIRS

BRIEFS

NEW PALAU PRESIDENT--Senator Lazarus Salii, who, as head of the Micronesian Political Status Commission, played a large part in the negotiations with the United States over the political and economic future of the Micronesians when the Trust Territory agreement ends, is the new President of Palau. He defeated acting President and former Deputy President Alfonso Oiterong by 608 votes in the election which followed the murder on June 30 of President Haruo Remeliik (SSD/v5/8). Senator Salii had 4040 votes and Mr Oiterong 3432. Four men were arrested and charged with the murder but released for lack of evidence. [Text] [Sydney THE SOUTH SEA DIGEST in English 6 Sep 85 p 2]

CSO: 4200/1565

BURMA

MAJOR OPERATION AGAINST SUA PREPARED

BK220256 Bangkok THE NATION in English 22 Sep 85 p 2

[Text] Chiang Mai--Burmese troops are preparing a major operation to push 500-700 soldiers of narcotics kingpin Khun Sa's Shan United Army (SUA) across the Thai-Burmese border as fierce fighting has broken out between the drug trafficking force and another hilltribe force along the frontier here, informed sources said yesterday.

The sources said that Rangoon had dispatched helicopters to the border area to monitor the situation there as its infantry troops advanced through thick jungle towards SUA hideouts located in the Samchu mountain range, about three kms from Palong Village of Tambon Monpin in this northern province.

Meanwhile, Chang Li Fong, spokesman of the Lawa force, said that the hilltribe force had killed about 20 SUA fighters and wounded 40-50 others in clashes between the two rival forces which have raged since September 9 along a 30-km stretch of the Thai-Burmese frontier--from Tambon Mae Ngon in Fang District to Mae Ai District.

He said that eight SUA fighters surrendered to the Lawa force based at the village and handed over M79 grenade launchers, rocket-propelled grenades and M16 assault rifles.

The Lawa force was led by Commander Fong-E Thian, he said.

Chang Li Fong said that SUA fighters based at Samchu stronghold number 500-700, compared to 300-400 Lawa fighters split up into more than three units for the battle against the drug trafficking force.

Informed military sources said the Lawa force received arms from the Kuomintang as well as support from Taiwan in the battle against Khun Sa's troops. The sources also said that Samchu mountain range was a major source of heroin production.

Chang Li Fong said that his Lawa force formerly worked with the SUA in the drug business but now wanted to stop its involvement in drug trafficking and return to a peaceful way of life. But the SUA wants the Lawa, which number 700-800, to continue to collaborate, he said.

As a result of the conflict, aggravated when Lawa people stopped supplying the SUA, the two forces became up in arms against each other, according to the Lawa spokesman.

He said that the SUA is demanding a "protection fee" from 62 hilltribes in the area in the form of supplies and raw opium. Each hilltribesman is required to deliver 1,600 grams of raw opium each harvest season, according to Chang Li Fong, who added that there are 5,000-10,000 hilltribesmen living in the border area.

Twelve Lawa fighters were killed and 18 wounded in fighting with SUA troops, he said. The wounded hilltribesmen were being treated at Fang Hospital, he added.

Chang Li Fong claimed that the hilltribes people were forced by the SUA to become involved in the drug business. He said that the Lawa are spearheading a "rebellion" against Khun Sa's control over all the tribes in the area.

CSO: 4200/1570

BURMA

SUMMARY OF CENTRAL COMMITTEE REPORT

Rangoon FORWARD in English Sep 85 pp 10, 29-38

[Text]

The following matter is a translation of the summary of the Political

Report of the Central Committee to the Fifth Party Congress submitted by General Secretary U Aye Ko.

Esteemed Chairman, members of the Panel of Chairmen and delegates to the Party Congress:

I will present a summary of the Political Report of the Central Committee submitted to the Fifth Party Congress.

The Burma Socialist Programme Party has been holding Party Congresses, reviewing endeavours and developments of the last Congress and setting forth programmes for the future. At this Fifth Party Congress too, work done in implementation of the programme laid down by the Fourth Party Congress will be reviewed and a programme for the future will be adopted.

As the Party has been carrying out tasks never losing sight of its objective and basic political programme, it has been achieving progress, gaining improvements all round. The

Central Committee has made appraisals on political, economic and organizational sectors in this Political Report.

I will now present the appraisal on the *political sector*. The Fourth Party Congress laid down seven tasks in the political sector. I will mention work done in implementation of one of these seven tasks, namely, striving for constant improvement of the socialist democratic machinery. This task was carried out by various organizations working under the leadership of the Party and mass and class organizations. Following the Fourth Party Congress elections to the Third Pyithu Hluttaw and People's Councils at different levels were successfully held. On the basis of experiences gained in holding of elections preparations are being made for holding elections to the Fourth Pyithu Hluttaw and People's Councils at different levels, ensuring election of good and able persons.

In legislative work such as amending existing laws and enacting new laws, greater effectiveness is being realized as a result of adoption of

basic principles calling for all laws to conform with the Constitution, with the political, economic and social systems of the State; and consistent with ideas of justice and fairness.

In the cultural field, literature, music, theatre, dance entertainments, puppet shows, classical music, traditional arts, cinema, radio, television and preservation of cultural relics play important roles in developing the moral fibre of the working people and correcting their ways of thinking. Assistance in all possible ways is therefore being given to these cultural activities with a view to preserving national culture as well as expedite construction of Socialism.

The following are the efforts made in implementing the future task of strengthening unity and solidarity of national races. Unity of national groups based upon the strength of the peasantry and the workers is an essential force. The Academy for Development of National Groups was founded in 1964 for training of youths from the various States and Divisions for long term benefit. These activities, strengthening

the spirit of unity among the youth of the Union, are meant to build mutual trust among the national races in the coming years and to provide them with the right inspirations so that they would continue to work for the welfare of the Union with a profound sense of personal duty.

As a means of achieving unity of national groups, plans for regional development and improvement of living standards were drawn up and are being implemented. However, as success will be achieved only when all indigenous people imbued with socialist revolutionary thought and outlooks actively take part, greater efforts must be made to spread new and progressive ideas and thoughts among the indigenous people.

As regards concretisation of Constitutional provisions a socialist economic system is being built up in the Socialist Republic of the Union of Burma, democratic rights, individual rights and freedoms have been promulgated in accordance with the provisions of the Constitution, the indigenous people now enjoy the right to take an active part in nation-building work and they are actually exercising this right.

The indigenous people must strive in unity to consolidate the Constitution and sharpen socialist democracy to keep the Union spirit alive and national unity everlasting.

In connection with the tasks of mobilizing the entire people for national security, activities endangering security of the State, the rule of law and the national solidarity have been systematically suppressed and checked; the rule of law and peace for the people firmly established, thanks to the active participation of the indigenous people in crushing insurgents and also thanks to organizational, management and military measures taken by organiza-

tions at different levels. Political objectives are prescribed in commemorating important days of the State to ensure continuous and active participation of the entire people in carrying out national security task.

As regards elimination of insurgent disrupters with the people's might black areas have been turned into grey and white areas, grey areas into white areas, and many white areas into hardcore areas, under plan formulated by Party organization.

I would now deal with the implementation of the Independent and Active Foreign Policy Burma is pursuing. In international relations, Burma continues to pursue the Independent and Active Foreign Policy laid down by Party Congresses,

maintaining friendly and close relations with all nations. Burma is maintaining good neighbourly relations with neighbouring countries, always respecting and upholding the principles of equality among peoples, equality among nations, and the Five Principles of Peaceful Coexistence. In regional economic and social matters, it is beneficially co-operating with regional countries.

In international matters, issues arising in all parts of the world have grown into regional and global problems due to involvement of outside countries and big powers, disturbing world peace and weakening efforts for détente. In trying to resolve these international issues, Burma's stand is always in accord with her Independent and Active Foreign Policy.

A study of the activities of member-nations at United Nations meetings,

shows that nations tend to work together in regional blocs, common-interest economic blocs and religious blocs. Burma will also occasionally attend meetings not only of organizations under the UN and specialized agencies but also those of other international political, economic and social organizations and work fraternally in the family of nations.

The Chairman of the Burma Socialist Programme Party and the President of the State made goodwill visits to other countries. These visits of the Party Chairman and the President resulted in promotion of friendship and respect between nations, mutual understanding and co-operation.

Burma has stepped up trade and cultural exchanges with its neighbouring nations. Should problems with neighbouring nations arise, Burma will try peacefully to settle them with good neighbourly spirit according to the motto: "Let amity be enduring and enmity ephemeral." Relations between Burma and her neighbours have improved during the tenure of the Fourth Party Congress.

Relating to improvement of the educational system according to the educational policy, efforts are being continued to implement the resolutions of the Third Party Congress on compulsory primary education, elimination of illiteracy, and bringing into being a well-rounded and multi-faceted education system. Specifically, Party policies on education and the Party Chairman's guidance have

been implemented: new Laws have been amended, more schools have been opened, additional teachers have been appointed, universities and colleges have been reorganized, curricula have been revised, new text books have been prescribed and teachers have been trained.

Next, there is the task relating to public health which called for expansion of public health projects and utilization of native medicine. Effective treatment and prevention of diseases, extension of hospitals and dispensaries through co-operation between the State and the people, development of the role of traditional medicine and expansion of medical research are being carried out according to plan.

The State sector has been directed to organize sports activities as a mass movement on a nationwide scale. Social welfare work, by its very nature, are broad and delicate: appropriate success has however been achieved in helping those socially-handicapped, preventing social problems from arising and solving problems that have arisen through social welfare work. Matters concerning the *economy* will now be dealt with.

The Fourth Party Congress laid down eight tasks for the economic sector. Action taken in implementation of these tasks will be presented here.

Concerning the task for extension of Agriculture & Livestock Breeding Sector, necessary guidelines have been is-

sued, as the more the Agriculture & Livestock Breeding Sector produced, the more food will become available for domestic consumption as well as for export. Directives have also been issued to organize State agricultural production agencies.

As regards the task—to effectively step up meat and fish production in the Co-operative Sector with a view to fulfilling the ownership ratio as envisaged in Twenty-Year Long-Term Plan directives for formation of agricultural producers co-operative societies and expansion of co-operative sector production work have been issued. Guidelines for expanding the role of co-operatives have also been given. To draw up regional economic development plans to ensure proportionate regional development and the most beneficial utilization of regional productive forces has been laid down as a task. In implementation of this task and in accordance with the guidance of the Party Chairman, formulation of regional development plans to ensure rational and proportionate economic development of the States and Divisions, improvement of productivity of the rural development sectors, and attainment of most effective utilization of the production forces in the rural areas are being co-ordinated. In addition, guidance has been provided for drawing up plans regionally for regional self-sufficiency and agricultural development in Sagaing Division, Manda-

lay Division, Magwe Division and Shan State.

The task of promoting exports will now be dealt with. Export promotion is a must in the light of the increased capital investments and repayment of foreign loans—and appropriate guidance has therefore been provided for this purpose. Additional guidance has been given for increasing production of agricultural commodities traded in the world market.

Next is the task which concerns the necessity of extending transportation services commensurate with the planned acceleration in the production of goods. In this direction, appropriate efforts are being made for effective utilization of existing vehicles and machinery, training of personnel and management for systematic utilization of transportation facilities.

In connection with the task to ensure supply according to planned requirement of supportive materials including fuel and to search for and extract those materials for long-term supply so as to considerably increase production, projects such as those for increased production of petroleum and natural gas, extension of large-scale and small-scale hydro-electric works, and extension of fertilizer plants have been undertaken during the plan period.

I now come to the task to formulate a manpower plan and systematically implement it for full and effective utilization of the people's power. As manpower plan is a prerequisite

site for implementation of national economic development plans, guidance was given for formulating such a plan. As this is a task that requires comprehensive co-ordination, such co-ordination is being made to lay down guidelines for formulating of the manpower plan.

I will now deal with arrangements made to improve efficiency of State economic enterprises. Guidance has been given to implement guidelines to run State economic enterprises rationally, to put into practice those that have not yet been put into practice, to endeavour for further improvements in implementation of those that could be put into practice, to appraise those guidelines that could not be implemented yet and carry on work on the basis of the findings.

I will now speak about the targets of the 20-Year Long-Term Plan and of the Fourth Four-Year Plan. By the end of the Fourth Four-Year Plan there will remain only two four-year plans to complete the 20-Year Long-Term Plan. I will present an appraisal on differences, and reasons thereof, between targets of the 20-Year Long-Term Plan Guidelines and those of the Fourth Four-Year Plan Guidelines as regards GDP, Investments, Exports, Imports, and Consumption.

The target for GDP in the Fourth Four-Year Plan Guidelines was set K 67 crores higher than the target in the Long-Term Plan Guidelines. The target for investments in the Fourth Four-Year Plan Guidelines, too, was

set K 49 crores higher than that in the Long-Term Plan Guidelines. Setting of a higher target in investments was to correspond with the setting of a higher target in the Gross Domestic Product.

Exports and imports in the Fourth Four-Year Plan Guidelines are lower than those envisaged in the Long-Term Economic Plan Guidelines. It was on the basis of shortfalls in exports during the Second Four-Year Plan and Third Four-Year Plan that the value of exports and imports were lowered. Although some targets set for the Four-Year Plans were higher and some lower than those set in the Long-Term Plan Guidelines, the principal aim was to fully implement the guidelines of the Long-Term Plan.

Targets set by the Pyithu Hluttaw as regards the Gross Domestic Product and the rate of growth are higher than those set in the Fourth Four-Year Plan Guidelines. As regards the structural change, targets set by the Pyithu Hluttaw were higher in production sector and services sector and lower in trade sector than those set in the Fourth Four-Year Plan Guideline. The target for investment set by the Pyithu Hluttaw was K 180 crores lower than that of the Fourth Four-Year Plan Guidelines.

As regards the implementation of the Fourth Four-Year Plan, the Gross Domestic Product was nearly up to target in 1982-83 Plan but fell short of targets in 1983-84 and

1984-85. The value of production and the value of trade did not meet the targets in all the three years but the value of services exceeded the yearly targets.

In the three years already implemented exports and imports were lower than annual targets. In external trade value of imports exceeded that of exports. Prices for both imports and exports rose but import prices rose higher than export prices with the result that an adverse situation in external trade was encountered. Under the circumstances, it is necessary to endeavour not only to increase the quantity but also quality of exports.

The Fourth Four-Year Plan Guidelines were laid down by the Fourth Party Congress. These Guidelines contain 15 guides to action. The Party Central Committee Headquarters gave guidance to the State sector from time to time for implementation of those guides to action. The State sector implemented them and there are tasks that have been fulfilled during the tenure of the Fourth Party Congress, and there are also those that remain to be completed, such as the task to increase the ratio of the co-operative sector, the task to lay down and implement regional development plans, and the task to lay down and implement the manpower plan.

The term of the 20-Year Long-Term Plan is from 1974-75 to 1993-94. Implementation, which began in 1974-75, has now come to the stage of completion of the 1983-84

plan, the second year of the Fourth Four-Year Plan. More than half the term of the 20-Year Long Term Plan has been completed. I will present the situation in implementing half the term of the Long-Term Plan. The value of GDP attained in the past ten years is as called for in the Long-Term Plan Guidelines. The rate of growth has improved and such good rate of growth has been due to progress made in the agricultural sector and in services sector. However, it is found that the GDP and growth rate have been falling these last three years of the decade; hence strenuous efforts must be made to achieve good growth rate in GDP during the remaining ten years of the Long-Term Plan Guidelines.

Regarding the change in structure, a sector-by-sector-re-appraisal reveals that much more should be done to improve the ratio of industrial production. Proportionate development of transportation sector is also in need so that it may adequately handle the increases in the production of goods.

During the decade, actual exports totalled only about half of that given in the Long-Term Plan Guidelines. As loans and contributions had to be obtained from abroad to meet requirements of foreign currency to make necessary imports, external debt-servicing rates became high. Hence all possible means, including export promotion, must be taken during the next decade so that the burden of debt may not increase

even as investments are made and raw materials as well as machinery spare parts and other essential goods are purchased according to the targets.

Regarding change in the ownership ratio, although the ratio of the State-owned sector improved in accord with the Long-Term Plan Guidelines, the ratio of co-operative ownership fell far short of the plan guidelines and thus the ratio of combined State and co-operative ownership was lower than private ownership. Therefore, during the next ten years of the Long-Term Plan efforts must be made to improve the ratio of ownership in the State-owned and co-operative sectors to that of the private-owned sector.

It is seen that during the first ten-year period of the long-term plan, some targets had been fulfilled while targets in some remained to be fulfilled. That is why, while making efforts to fulfil targets which were unfulfilled during the first ten-year period, efforts must be made to also fulfil the targets to be realized during the remaining ten years.

The State has been giving guidelines from time to time so that tasks could be performed in accord with prevailing economic situation. Regarding economic affairs, especially implementation of socialist economic system, the organizations and persons responsible for performing main duties are being given briefing by responsible personnel of the Party Central Committee Headquarters who also go out to various Party Regional Committee areas.

I shall now continue with *organization*. The Fourth Party Congress laid down six tasks on organization. I shall deal with the matter of increasing the strength of Party membership. In connection with the task—to work to improve the calibre of Party members and farther dynamism of Party organizational capacity, I shall deal with the matter of increasing the strength of Party membership. On 31 January 1981, there was a total of more than 1.5 million Party candidate members and full-fledged Party members and this number increased to more than 2.3 million on 31 January 1985, with an increase of more than 800,000. Similarly, the number of friends of the Party increased from more than 900,000 on 31 January 1981 to more than 1.2 million on 31 January 1985, an increase of more than 300,000. The ratio of candidate Party members and full-fledged Party members was 10:4 on 31 January 1981 and the ratio improved to 10:8 on 31 January 1985. The momentum of this increase must be maintained.

Of youth members who have attained the age of eighteen, 20.17 per cent are Party members; 11.16 per cent of the Peasants Asiayone members are Party members and 26.45 per cent of the Workers Asiayone members are Party members. Within the Tatmadaw, the present strength of Party membership is 113,540 full-fledged Party members and 56,114 candidate members. There are over 1.9 million male-

members and over 400,000 female-members. The number of Party members between the ages of 18 and 25 is 14.73 per cent and that of the members between the ages of 26 and 60 is 78.41 per cent and that above 61 is 6.86 per cent.

As regards the situation in the formation of lower Party organizations, the situation on 31 January 1985 as compared with that prevailing on 31 January 1981, recorded increases of 13,881 Party Sections, 111,002 Party Cells and 45,117 groups of friends of the Party.

At the completion of the Fourth Party Congress there were 281 Party Units and 27 Organizing Committees. Nine Organizing Committees were turned into Party Units after holding of elections; five Party Units were abolished and temporary Organizing Committees formed in their places. Organizing Committees were also formed in Pang Yan and Mawmang-Hseng Townships where only organizers were previously stationed; as a result there were 284 Party Units, 26 Organizing Committees and four townships with one organizer each just before the 15th township plenary meetings were held.

There are Party cadres who were assigned duties during the period under review and also others who, for various reasons, became dropouts. Just as Party cadres are to be systematically scrutinized and given training before duties are assigned to them, it is also necessary to reform through criticism, those cadres already

assigned duties whenever they show signs of weaknesses.

Party membership scrutinization work is being carried out under three projects under guidance given by the Party Chairman at the Fourth Party Congress. The Party membership scrutinization work was thus stepped up under these projects and a total of 221,349 persons could be recognized as candidate members and 661,090 persons as full-fledged members between 31 January 1981 and 31 January 1985.

Party organizations at different levels beginning with the Party Central Committee held meetings according to stipulation. Notice has been given to compile the points and suggestions made by Party members at plenary meetings of Party Units, and forward the compilations to the State sector or to the different departments of the Central Committee as may be relevant.

Party organizations within the Tatmadaw also hold meetings and discussions in accordance with the stipulation. Fraternal feelings between the Tatmadaw and the people will be further consolidated through active participation by the Party organizations within the Tatmadaw in activities which will contribute towards the success of the State's economic plans.

Regarding Party's education and training activities various training courses are conducted at the Central Institute of Political Science, Party Regional Committee areas and various Tatmadaw Command-level Organizing Committees. Intra-

Party short-term ideology discussion courses are being conducted under the supervision of the Party Regional Committees in respective Party Unit areas.

Party education and agitation works are being done and educative books and periodicals are also being published. Party archive and library work is being maintained to facilitate pursuit of knowledge by the entire Party. In Party research work, foreign and home publications are being studied and appraised and field work is also being done.

I will present matters concerning the task to strive further for realization of a common ideological view, common political outlook and common organizational styles of Party members and Party cadres. For realization of a common ideological view subjects of the guiding ideology are being taught at courses given by the Central Institute of Political Science and other organizations during short-term ideological discussions and in intra-Party discussions. For realization of common political outlook, discussions are held and clarifications given for better understanding of the policies and programmes laid down by the Party and the State. And for realization of common organizational styles, guidance is being given as necessary, directives given for remedying weaknesses, and action taken against activities not in conformity with rules.

In connection with the task for organizing and activating Lanzin Youth

Organization, 297 township Lanzin Youth Organizing Committees and 34 Institute, University, College Lanzin Youth Organizing Committees have been formed to date. As of 31 January 1985, there were 1,050,802 youth members aged 18 and above, and among them, 211,954 are Party members. The Third Lanzin Youth Seminar was held in April 1982 and tasks concerning youth organization laid down by the Fourth Party Congress were accepted as the tasks of the Lanzin Youth Seminar, and are being implemented. The Lanzin Youth Organization at different levels are organizing the youths, and taking an active and conscientious part in political, economic, social, cultural and nation-building endeavours, under the leadership of the Party.

Regarding strengthening and broadening of mass and class organizations under Party leadership and raising the leadership role of the Asiayones at different levels, mass and class organizations have been formed to mobilize active mass contribution towards socialist construction. These organizations will be able to carry out effective organizational work to the extent that Party leadership is strengthened and broadened; and to that extent the leadership role of the Asiayone at different levels will be raised.

Regarding the Peasants Asiayone, as of January 1985, 272 Township Peasants Asiayones, seven Township Peasants Organizing Committees and 13,192 village-tract and ward Peasants Asiayones

have been formed. On 31 January 1985 there were altogether 7,549,611 members of the Peasants Asiayone and of them 842,308 are Party members. The Peasants Asiayone at different levels are carrying out all-round organization work among the entire mass of the peasants to ensure their energetic participation in tasks being implemented by the State in accordance with the policy and guidelines laid down by the Burma Socialist Programme Party.

Regarding the Workers Asiayone, as of January 1985, 272 Township Workers Asiayones, 21 Township Workers Organizing Committees, 10,501 Primary Workers Asiayones and 56,485 Primary Divisions have been formed. On 31 January 1985 there were altogether 1,809,733 members of the Workers Asiayone and of them 478,616 are Party members. As the momentum of organization work is to be heightened, experimental work carried out to raise the leadership role of the Workers Asiayone, at 12 State-owned factories and mills has shown marked improvement in organization, production increase, welfare and maintenance of worksite discipline.

In connection with the task of providing Party leadership to mass organizations to enlist their active contribution towards socialist construction activities, systematic organization work is being carried out among social and cultural associations for their participation in socialist construction works.

Mass organizations such as War Veterans Organization and Literary Work-

ers Organization were successfully formed in conference and are now functioning under Party leadership. Motion Picture Council, Music Council, Theatrical Council and Traditional Artists and Artisans Council Organizing Committees are drafting organizational projects; the Music Council Organizing Committee and the Theatrical Council Organizing Committee have already formed Township Organizing Committees. Work is also being carried out to form other social and cultural organizations under the leadership of the Party.

As regards the task to work for acceptance of Party leadership in the various areas of socialist construction activities, attitudes and necessary guidelines in implementation of Party policies and resolutions on political, economic, organizational and social tasks are being given to the State.

In observance of significant days of the country, political objectives reflecting the tasks of the Fourth Party Congress are generally prescribed. As much as these political objectives can be successfully implemented by the working people, Party policy and programmes will permeate among the people and the socialist construction work done under Party leadership will be implemented swiftly.

Members of the leading Committees of the Central Committee Headquarters from time to time visited different Party regions during the tenure of the Fourth Party Congress to discuss matters with responsible personnel and provide appropriate guidelines. The Joint Gene-

ral Secretary, accompanied by secretaries concerned, visited 14 Party Regional Committee areas in July and August 1984 to observe and inspect activities of the Party Units and to provide appropriate guidelines.

A total of 125 Standing Party Fractions have been established at Central Organs of Power and at Ministries within the State machinery. The Party General Secretary met the leaders of the Standing Party Fractions of the Central Organs of Power and of the Ministries to provide appropriate guidelines so that the Standing Party Fractions may carry out suitable rectification work. In the same way the Joint General Secretary met with the leaders of the Standing Party Fractions of the Departments and Corporations for the same purpose.

According to the Party Cadre Policy, Party cadres have been entrusted with duties in key posts within the State machinery and within the mass and class organizations and appropriate guidance is also being provided. Thanks to this arrangement work is being carried out in close harmony with the Party and policy objectives being effectively realized.

A total of 46 Management Boards have been constituted under Ministries to enable State economic enterprises under them to carry out their work in a business-like manner.

In working to realize the Party aspiration for perpetuation of the State and the establishment of an affluent socialist society, it is vital that each

and every Party member and Party cadre carry out his or her work in deference to the wishes and desires of the working people. In so doing they are to lead the working people ideologically, politically and organizationally. All these are measures taken to implement tasks laid down at the Fourth Party Congress.

I will now report on action taken to implement guidance given by the Chairman of the Burma Socialist Programme Party and by the President of the Union. The Party Chairman has been constantly providing guidance for the benefit of the State and Party at meetings and discussions and whenever he had occasion to visit mills, factories and work-sites in the various regions. Guidance given by the Party Chairman covers a number of topics including measures to be taken to assist veterans of the revolution and war veterans; remedial work to be done in education sector; work to be carried out by the Universities Computer Centre; steps to be taken for preservation of cultural values; measures to be taken to improve public health and action to be taken for development of traditional medicine.

In economic matters, the Party Chairman pointed out measures to be carried out in agricultural work, livestock and fish trade, pearl culture, mineral exploration and offshore oil drilling.

On organizational matters, the Party Chairman gave guidance for submission of correct and full reports by basic organizations to enable the Party to lay down correct policies; for provision of edu-

cative training to members of Inspectorates, Committees of Judges and People's Councils regarding their work and for completing Party membership scrutinization work at the primary level.

Guidance given by the Party Chairman are important guidelines for the benefit of the Party and the State. The guidance embraces both short-term and long-term tasks and need to be carried out effectively and successfully.

To make effective implementation possible in the State sector in accordance with guidance given by the Party Chairman the President also visited States and Divisions and held necessary discussions and gave necessary instructions to Party and People's Council members concerned. On political matters the President held necessary discussions on issues relating to People's Council at different levels, cultural development, national defence and security and elimination of insurgency and matters relating to education, health, indigenous medicine, sports and physical culture.

Relating to the economic sector, discussions were held and guidance given on drafting and implementing plans; on economic development of the States and Divisions; on agriculture, livestock and fishery, forestry, mining, manufacturing and processing, transport, financial and trade sectors; on boosting exports and on problems connected with co-operative societies.

With regard to the organizational sector, dis-

cussions were held and guidance given to give top priority to organizational strength for realization of Party and State policies and programmes for rendering Party leadership dynamic and broad-based and consolidating organizational work; for raising the leadership role of the mass and class organizations at different levels; for ensuring that the People's Councils always work with organizational outlook and follow organizational procedures; for minimizing dissipation of energy at the People's Councils at different levels; and for carrying out organizational work to extend co-operative activities.

Guidance given by the President are important guidelines for the building of a socialist democratic State and it is vital for the organizations concerned to follow this guidance.

The General Secretary also gave general guidance on principles to be followed in connection with political, economic and organizational matters and discussed and gave guidance on measures to be carried out region-wise and sector-wise. With regard to the political sector, guidance was given on work to be carried out in connection with the Burma Citizenship Law and points to be observed by the People's Council organs at different levels and by members of the People's Council organs.

Necessary directives were issued for agricultural work, implementation of socialist economy in a planned manner for ensuring regional self-sufficiency

and for initiating insurance work that would augment economy and social welfare.

Necessary directives were issued concerning scrutiny of Party membership applications, for disciplinary measures in keeping with Party rules, for holding of meetings and discussions, for matters concerning Party cadres, for submission of reports, for complaints and anonymous letters against Party members, for education and agitation and for the collection of monthly subscriptions.

Inasmuch as the organizations concerned were able to accurately implement these directives, dynamism and success have been gained in the Party's organizational work and the Party leadership role heightened.

The Study Group for Ideological Cultivation has been working on a wider interpretation of the Party ideological direction; discussing findings and clarifications pertaining to ideology and also scrutinizing suggestions submitted by the working people and Party members to sort out acceptable suggestions from unacceptable suggestions.

The Party Inspection Committee has scrutinized resolutions passed by Party organizations at different levels, their reports, Party construction position, the Party budget estimates, paying of monthly Party subscriptions and also directives issued by the Party Central Committee Headquarters.

Activities of Party organizations at different

levels were examined and it was found that they were in accord with Party Constitution and basic programme policies laid down by Party Congresses.

The Party Discipline Committee examined cases where action was taken for infringement of Party rules and found that political problems were caused by weakness on the part of those involved in accepting ideological concepts of the Party and the Party style of work and infringement of directives in elections.

Causes of economic problems are found to have been weaknesses in abiding by economic policies and guidelines laid down by higher Party organizations, weaknesses in controlling expenditure in money matters and giving priority to personal interests.

Causes of social problems are found to have been deficiency in personal integrity and in character and failure to abide by norms of human conduct. As regards Party management activities, the Political Pension Bill, designed to give pension to persons who have dutifully served the State and Party sectors, was promulgated into law by the sixth session of the Second Pyithu Hluttaw and work is proceeding accordingly. Employees of the Burma Socialist Programme Party, Party organizations and the Peasants Asiayone and the Workers Asiayone functioning under the leadership of the Party are also allowed pension just as employees of other departments.

Regarding collection of Party subscriptions the

amount collected has increased from year to year. This improvement is due to supervision and organizational work at different levels.

Next, I will present an appraisal on implementation of political, economic and organization programmes during the tenure of the Fourth Party Congress. As regards work done to ensure continuous and smooth running of the socialist democratic machinery, the successful holding of elections to the Third Pyithu Hluttaw and People's Council at Different Levels was due to participation by broader masses of the people in management of their own affairs with the strengthening of socialist democracy. Efforts must be made with a view to maintaining and further improving these existing good conditions.

To make socialist democratic machinery effective and successful organs of State power must ascertain the aspirations of the people and implement projects within the scope of their duties and responsibilities while at the same time appraise whether their tasks are successful or not, whether they are beneficial to the people or not and then find ways to work for the successful performance of their work.

Party organizations at different levels must also give due emphasis to select good and able persons in nominating representatives of the people, placing the right person in the right place and to always guide the representatives of the people who had been given duties.

When services organizations attend to people's affairs it is necessary for

public servants to strictly adhere to law and departmental regulations and steer clear of moral turpitude, bribery, corruption, shirking of responsibility and misuse of public property.

Concerted efforts must be made for development of cultural activities on all sides. State organizations should research national culture and fine arts and study innovation techniques without impairing national character.

The Burma Socialist Programme Party, in accordance with its essential character of always serving the interests of the entire people, has been drafting and implementing economic plans and regional development plans to raise the living standards of all national groups and has been achieving favourable results. Thus, for purposes of strengthening national economy, for regional development and for raising the living standard, it is necessary for national working people to continue their regional development activities based on their vigorous and alert Union spirit and consolidated unity.

It is necessary for all national groups to effectively apply socialist democratic practices and defend the Constitution so that the spirit of the provisions of the State Constitution, which they themselves had approved, would materialize.

Unity of national races will remain indispensable for development of the State. Independence and sovereignty must also be maintained through unity of all nationals. It is

necessary for the working people to vigilantly participate in forging of national unity with the leadership of the Party.

While efforts are being made for socialist construction, insurgent disrupters are still obstructing socialist construction and disturbing peace. As constructive work will be effective only with the elimination of insurgents it is necessary to organize the entire working people, to take part in eradication of these insurgents.

Political activities and certain other activities using religion as a facade perpetrated by certain disrupters aboveground and underground constitute violations of the law, opposition to administrative authority and disruption of national unity. It is necessary to vigilantly prevent such activity and also to work towards immediate termination should these occur.

International situation is at present tense. Burma is working hand in hand with other nations and in consonance with her Independent and Active Foreign Policy to improve this situation. Burma today stands steady and firm in the comity of nations and has won the respect of the majority of nations for her ability to strictly adhere to policy of non-alignment.

On education, progress has been made in carrying out the Party Chairman's guidance and Party educational policies. In trying to raise the standard of education teaching must be aimed at providing knowledge essential for

earning a livelihood.

In health activities, people's participation and co-operation is found to have increased. In continuing to carry out health measures for the benefit of the people not only western medicine but also traditional medicine and practice are to be extended and developed.

As adjuncts to national defence and national production, health and physical well-being of the entire working people is to be promoted through mass sports and physical culture activities, through efforts to cultivate outstanding sportsmen and through raising the level of national sports. Social Welfare activities too are to be developed through the participation and co-operation of the people.

I will now give the appraisal on economic performance. Work must continue on past plans where targets have not yet been fully achieved and efforts must be made to fully achieve targets of fresh plans. In making such endeavours, it is necessary to do so under arrangements consistent with existing economic conditions and to bring about all-round economic development.

In implementing economic plans, it is vital to do so in accordance with the development strategy. The task for improvement in production must not be lost sight of. There must be a real increase in production undertakings that would bring about the greatest production within the minimum of time must be chosen. Commodities essential for majority of the people in the country and are also exportable must be produced.

In order to adequately procure capital goods, raw materials, spare parts and personal goods and also to service foreign loans within the stipulated time, there is the need for earning more foreign exchange. The task of promoting export trade must therefore be carried out without fail.

The agriculture sector is one which can, with fair amounts of investment, produce goods in a short time. In striving to increase exports, it is therefore necessary for this sector to give priority to producing rice, rice-products and other crops likely to command higher prices in the world market. It is also necessary for the Fishery and Livestock Sectors to produce more meat, fish and prawns. In striving to earn more foreign currency, the State should also find means of making services organizations earn FE, and not just export of commodities.

As production sectors continue increasing production, transport sector must correspondingly make progress. Lack of progress in the transport sector would create difficulties and blockage in commodity distribution. It is therefore necessary to make progress in transportation work.

Electric power should be readily available for establishment of industrial enterprises, and it must be produced in accordance with the needs of the State.

Fuel is indispensable for both industrial production work and services organizations. As

much fuel as needed cannot yet be supplied under present circumstances. Measures for increasing production of fuel to meet the needs should therefore be laid down and implemented.

To realize one of the targets of the long-term plan which is to create socialist production relations, it would be necessary to increase State ownership and cooperative ownership rates. That is why necessary programmes must be laid down and efforts made to make the ratio of State-ownership and Co-operative ownership greater than that of the private-ownership. In doing this, just as State agricultural production agencies must be formed, agricultural producers co-operative societies must also be extended and efforts must be made to increase agricultural production in the co-operative sector.

Investments must be made to increase production in accordance with the resolutions of Party Congresses and priority given under the four-year plans. Agricultural sector must be made stable and strong and industrialization undertaken step by step.

In investing in agricultural sector, in addition to building small irrigation facilities on-side dams, and drainage canals, necessary material inputs must also be supplied in time.

There is need for population growth commensurate with Burma's natural terrain and expanse. However, any increase in population should be viable in relation to the nation's natural resources, technological development, financial re-

sources and food production. It is a fact that at least 700,000 additional acres of virgin and wasteland must be brought under cultivation each year if sufficient food is to be grown for the increase in population. Since only about 600,000 acres are now being put under cultivation each year, it is evident that efforts for growing adequate food should be carried on and reclamation of virgin and wastelands stepped up.

Optimum utilization of the capacities of existing mills and factories should be attained as part of the steps taken to increase proportion of industrial production in transforming the national economic structure.

Prevention of loss and wastage in the various production sectors would naturally mean additional quantities for consumption by the working people. This being so, prevention of loss and wastage should be rigorously enforced in the respective work establishments with greater intensity than ever.

Regional economic development has a direct bearing upon the centre; hence the centre is to provide appropriate assistance as much as it is possible for regional economic activity. Therefore, regional development projects and current regional development activities should be carried out successfully by ensuring the active co-operation and participation of the people on a region-wide basis.

As success will be achieved only as much as the people come to take part extensively in building the socialist system, it is necessary to draft and implement a manpower plan that systematically mobilizes people's strength and for that purpose undertake essential preliminary co-ordination works.

In drawing up and implementing plans, it is necessary to strike a balance between production and volume of inputs. It is necessary to evaluate requirements of manpower, natural resources, other materials, and energy.

With regard to monetary situation, volume of currency in circulation is increasing from year to year leading to inflation and price rises. Hence it is essential to take measures to strengthen the national currency of kyats.

Guidelines have been given to operate State-owned economic enterprises in a business-like manner to cut production costs and increase production. While implementing those that are feasible, ways must be found to solve hardships met with in implementing some others. In the interest of the working people the State is producing certain commodities and undertaking certain services at a loss. For example, in production of chemical fertilizer during the period of the Fourth Four-Year Plan, the State lost K 39.58 crores in 1982-83, K 45.51 crores in 1983-84 and K

46.15 crores in 1984-85. In the matter of prices, there is a wide gap between the price of scheduled crops bought by the State and the price of unscheduled crops resulting in differences in the earnings of growers of scheduled crops and growers of unscheduled crops. Necessary co-ordination is required to relate prices of scheduled crops with those of unscheduled crops so as not to harm production of scheduled crops in the long run.

As regards home production for increasing export national and foreign currency positions must be constantly kept in view. Through studying the monetary and financial situation of the State, efforts must be made to create favourable economic conditions that reflect the life and needs of the people.

Party organizations, mass and class organizations and People's Council at different levels constituting political power of the State have been firmly established. In order that these political power is applied to economic tasks, efforts must be made to marshal the strength of the people in tune with the nature of work to be assigned. While making such efforts, endeavours must also be made to fulfil plan targets of the 20-Year Long-Term Plan and to fulfil the food, shelter and clothing needs of the people.

In connection with organization work, Party membership scrutiniza-

tion work was carried out under three work projects in accordance with the guidance given by the Party Chairman in his speech at the Fourth Party Congress. Of the population of the country, 6.5 per cent have become Party members. As Party organization work was extended an increase in the number of Party members has been achieved.

For success in nation-building and defence tasks, Party members must be firm in ideological concept and leadership in political, economic, organizational and social and public affairs management work.

Efforts must therefore be made to further raise the calibre of Party members and at the same time continue organizational work to enlist those who are honest and upright and those who would unswervingly carry out all assigned duties.

According to the rolls, 120,441 Party members and 30,388 friends of the Party are not on the rolls of any Party organizations and have to be X-listed.

So Party organizations at different levels must carry out systematic supervision work to enable all Party members to be active in respective Party organizations under the guidance of Party organizations at different levels.

Party members are duty-bound to implement plans for improving the quality of life of the people in accordance with Party guidelines. To be able to do this, it is necessary for Party

members to hold meetings and discussions as prescribed. Under the present situation, it is found that the number of meetings held by the lower Party organizations was actually far less than the number that must be held and hence it is urged that meetings be held as prescribed.

In holding meetings and discussions, points for discussion should be based on social experience, organizational problems, subjects dealt with in Party publications, and Party organizational matters. These should be attended to unitedly after they had been discussed and decided upon. Matters that can be collectively attended to by the organization concerned should be so attended to while those that cannot be attended to should be put up to a higher organization.

In striving to enhance Party organizational strength, increasing Party membership and aiming at quality rather than quantity are two tasks that must be carried out definitely.

Training courses are being conducted and discussions held so that there would be unity in ideological conviction, political outlook and organizational work style among Party members. From the time of the Cadre Party up to 31 January 1985, 13,224 Party members had attended basic political courses. The Party's training and education activities will have to be further expanded in keeping with

the growing number of new Party members.

The number of young people under the age of 18 years in the Union is 15.6 million. The number of young people who have joined the Lanzin Youth Organization is 44.87 per cent of all those who are eligible to join. Hence the current momentum of organizational work should be maintained.

The Lanzin Youth organizations which have been established are generally composed of students. Hence, there is a need to extend organizational work among rural youth and worker youth. Since the Lanzin Youth constitutes an auxiliary force of the Party, serious efforts must be directed towards ensuring that all those members who have passed 18 years of age try to become Party members.

Mass and class organizations have been established so that the entire working people would be able to join in working for the Party objectives. These organizations have proved themselves to be invaluable because they have been able to organize the respective groups and provide adequate leadership to work in close harmony with State organizations for the realization of economic plans.

The Workers Asaiyone and the Peasants Asaiyone must in all seriousness carry out their task of organizing the respective groups so that the implementation of the Long-Term Economic Plans and Short-Term Plans may be

assured in conformity with Party policies.

It is essential that proper steps be taken to nurture the political vision, organizational skill and professional ability of the members of the Asiayones so that the leadership role of the Asiayones would be upgraded. At the same time efforts must be made to further consolidate the organizations in all aspects. Party cadres were selected and assigned leadership roles in building up a socialist economic system and the socialist democratic State in accordance with Party principles and policies.

Only when well-qualified Party cadres are assigned duties according to the principle "the right man in the right place", would plans be translated into action. It is necessary for Party cadres concerned to carry out, always honestly and sincerely, with might and main, duties assigned to them.

Since the Burma Socialist Programme Party is the one and only political party leading the State, it is necessary to keep the Party leadership dynamic. Keeping the Party leadership dynamic depends on dynamism of the leadership of the Party organizations and Party members. With the improvement in the ability of each Party member, the organizational work they undertake will achieve success and the people will come to rely on them. When leadership given to the people by Party members becomes more dynamic the leadership of the Party organizations is bound to become dynamic.

In order therefore to keep Party leadership dynamic it is necessary to strive to raise the leadership ability of each Party member as well as each Party organization.

Party fractions on their part must take the Party policies, directives and programmes laid down by Party Congresses as guides to action within their departments and organizations.

They are to enlist the support of Party members in their organizations and also organize non Party members.

On the basis of the foregoing appraisal, the Fifth Party Congress is to lay down programme of action for perpetuation of the country and building a peaceful and prosperous socialist society. In order that the Fifth Party Congress may lay down a programme, the following is presented sectorwise:—

(A) *Politics*

(1) To continue to strive for more dynamic, effective and extensive operation of the socialist democratic machinery;

(2) In working for unity of national races;

(aa) to work for further strengthening of the Union spirit and the will to live together in perpetuity;

(bb) for all indigenous people to strive with might and main for peace, tranquillity and development in the country;

(cc) to concretize provisions of the Constitution.

(3) To continue to work for mobilization of the entire people in the defence and security of the State.

(4) To continue to work for elimination of insurgents and destructive elements by means of the people's abilities and strength.

(5) To continue to pursue the Independent and Active Foreign Policy Burma is now pursuing.

(6) To raise the standard of education in the country in accord with education policies and to work towards making contributions to development of the country.

(7) To continue to work for extending health services with the co-operation of the people and at the same time to make more effective contributions towards the health and development of the people by means of indigenous medical science and methods.

(B) *Economy*

In implementing the Fifth Four-Year Economic Plan:

(1) To mobilize and utilize the people's strength in economic movements in creating a socialist economic system through plans on an extended scale, never losing sight of the objectives of the 20-Year Long-Term Plan.

- (2) To weigh and scrutinize conditions relating to population growth and food production capability and to take necessary measures in advance.
 - (3) To continue to promote exports and, also to take steps to make service sector earn more foreign exchange.
 - (4) To boost production of fuel and energy for production and service sectors in working to boost commodity production.
 - (5) To extend formation of State agricultural production organizations, agricultural production co-operatives and other production co-operative societies for increasing the ratio of State and co-operative ownerships.
 - (6) to make arrangements to increase investments in industrial sector while making arrangements to make investments to boost production in agriculture, livestock and fishery and forestry sectors through systematically drafted investment plans.
 - (7) To systematically assess availability of resources needed for implementing plans in order to ensure greater success of plans.
 - (8) To constantly work to minimize wastage, loss and damage in various work sectors.
 - (9) To implement regional self-sufficiency and regional development plans region-wise imperatively.
 - (10) To systematically draft and implement a manpower plan for full and most effective utilization of the people's abilities and strength.
- (C) *Organization*
- (1) To work to improve the calibre of individual Party members and organizational power of Party organizations.
 - (2) To strive for greater dynamism of Party leadership by bringing about a common ideological view, common political outlook and common organizational style among Party members and Party cadres.
 - (3) To continue to consolidate Party Organizations at different levels and render organizational activities more active and dynamic.
 - (4) To strive for the all-round development of the entire mass of youths to turn them into good and able persons fully qualified

ideologically, politically and organizationally.

- (5) To work to strengthen and broaden mass and class organizations and raise the leadership role.
- (6) To organize for the acceptance of Party leadership in the various areas of socialist construction activities.

Esteemed Chairman and members of the Panel of Chairmen, Party Congress delegates,

The summary of the Report of the Central Committee to the Fifth Party Congress has now been submitted. It is necessary for Congress delegates to study and comment on the report and to give their unanimous decision on the programme of work. Just as Party organizations at different levels are to carry out the programme of work laid down by the Fifth Party Congress they must also continue to implement tasks laid down by previous Congresses that had not been fully completed.

I would like to conclude by urging, on behalf of the Central Committee, the entire mass of Party members to earnestly carry out organizational work for greater participation of the entire working people than at present in State construction work under the enhanced and effective leadership of the Party during the tenure of the Fifth Party Congress.

7 October 1985

BURMA

FIFTH FOUR-YEAR PLAN GUIDELINES

Rangoon FORWARD in English Sep 85 pp 11-12

[Text]

As the Fifth Party Congress of the Burma Socialist Programme Party began on 2 Aug in the Congress Hall in the compound of the Central Institute of Political Science, Secretary U Than Hlaing submitted the Fifth Four-Year Plan Guidelines of the Socialist Republic of the Union of Burma.

He said the Guidelines are being presented in four parts, viz, a Preamble, Part I, Part II and the Conclusion. The Preamble recalls that the objective of the 20-Year Long-Term Plan is to complete laying economic, social and political foundations of socialism in the Socialist Republic of the Union of Burma by the end of the Long-Term Plan.

In Part I, implementation of the Fourth Four-Year Plan is appraised with reference to targets, set in the 20-Year Plan for the final year of the Fourth Four-Year Plan.

The appraisal shows that the GDP achieved was higher than envisaged in the Guidelines. Sectorally, plan performance exceeded targets in agriculture, mining, power, construction and communications. Such good progress needs to be maintained.

Part II gives Guidelines for the Fifth Four-Year Plan, to be implemented from 1986-87 to 1989-90. The main objective of the Plan is "to make arrangements to harmonize the existing economic undertakings and accelerate production with a view to achieving the objectives of the 20-Year Long-Term Plan."

Under present circumstances, the essential requirement for accelerating production and creating favourable economic conditions is harmonization of existing economic undertakings.

Targets are indicated in the Guidelines for attainment of the main objective. The main targets are: population in the base year of the plan,

1985-86, is 37.115 million, and will be 40.113 million in the final year, 1989-90. The average annual increase in population will be 1.96 per cent. Population as well as population growth will be lower than envisaged in the 20-Year Long-Term Plan.

The Gross Domestic Product in the base year will be K 2,111 crores and that in the final year will be K 2,678 crores. This target is set to tally with the 20-Year Long-Term Plan target. For the GDP to increase to K 2,678 crores in the final year from K 2,111 crores in the base year, an increase of K 567 crores in four years must be facilitated. Therefore, the rate of increase must be 6.1 per cent annually.

During the Fifth Four-Year Plan period, it will be necessary to invest in productive undertakings which require reasonable capital; to further consolidate and utilize existing productive forces; and to raise investment capabilities.

The investment and return ratio has been fixed at 2.5 and it will be necessary to invest a total of K 1,418 crores in the four years and K 388 crores in the final year of the Fifth Four-Year Plan.

In allocating investments to ownership sectors, 70.6 per cent is to go to State sector and 29.4 per cent to the co-operative and private sectors. A sum of K 1,001 crores will be needed for making 70.6 per cent investment in the State sector. In making investments in the State sector to achieve proportional development of the national economy and the State sector economy, investments have been made sector-wise: amounts of allocation as well as per cent of the total are shown.

If and when changes are required by circumstances, the Party Central Committee is to make the necessary changes.

Kyat resources must be consolidated to get adequate funds within the country to make investments according to this ratio. In consolidating national currency State-owned economic enterprises should, instead of depending on bank loans, try to stand on their own financial resources. Bank loans must be reduced gradually. The essence of the guidelines to operate enterprises in a business-like manner must be reappraised and efforts made to rationalize them where necessary. Efforts must also be made to collect taxes in full. Co-opera-

tive laws and organizational tables must be amended so that there would be more investments in the co-operative sector. Investment in the private sector must be arranged in accordance with existing laws.

Export must be relied on for foreign exchange needed for investment in addition to own currency. Efforts must be made to get K 210 crores from export during the last year of the plan. K 210 crores is equivalent to K 727 crores in 1985-86 at constant prices.

Import value is targeted at K 195 crores for capital goods, raw materials, spare parts and essential consumer commodities. According to 1985-86 prices altogether K 913 crores worth of stores must be imported.

In 1985-86 the value of imports will exceed that of exports by K 188 crores. The trade deficit, which is the difference between the values of exports and imports, must be made good with foreign loans and grants. Since preference must be given to low interest foreign loans there will be limitations in obtaining foreign loans. With the value of exports falling, the burden of repaying foreign loans will become heavier. Therefore, every effort must be made to obtain the value of exports as targeted.

In doing so, we must strive to increase the volume of traditional exports as well as introduce new export items. We must also ex-

pand personal services and make them earn foreign exchange.

While searching for more export items to earn more for investment purposes, we must, at the same time, increase investment through domestic savings. Therefore, we must strive to save 15.05 per cent of the GDP in the final year of the Fifth Four-Year Plan. We must strive to increase savings by an average of 7.5 per cent every year.

In accordance with the law that labour productivity should increase steadily, the annual average rate of increase in labour productivity for the Fifth Four-Year Plan should be 3.1 per cent.

The per capita production in the last year of the Fifth Four-Year Plan is to be K 668 requiring an average annual increase of 4.1 per cent. The per capita consumption in the last year of the Fifth Four-Year Plan should reach K 567; every effort should be made to achieve this. Hence, during the period of the Fifth Four-Year Plan per capita consumption should attain an average annual increase of 3.9 per cent. These targets exceed those stipulated in the 20-Year Long-Term Economic Plan Guidelines.

There are 14 points in the guidelines for the implementation of the Fifth Four-Year Plan. They are to raise the value of GDP to K 2,678 crores by 1989-90; to have average annual rate of increase of 6.1 per cent; in accordance

with the Law for the proportionate development in the national economy, to raise value of commodity production in 1989-90 to constitute 55.4 per cent of GDP, services to constitute 22.9 per cent and trade 21.7 per cent, respectively; to work towards raising commodity production by making investments totalling K 1,418 crores during the plan period; to make 70.6 per cent of investments in the State sector, 29.4 per cent in the co-operative sector and private sector; to invest in selected projects that are sure to produce most in the shortest time, so as to considerably raise commodity production with moderate investments; in doing so, to invest for producing goods needed by most people in the country and goods that can be exported; to work specially for running the existing mills and factories to full machinery capacity; if funds cannot be obtained in full from within the country and abroad, to give priority to running the existing industries to full machine capacity

rather than setting up new ones; to raise production from State sector and co-operative sector at least to surpass production from the private sector in the Fifth Four-Year Plan period; particularly to increase production from the co-operative sector, which is still far from the target set in the 20-Year Long-Term Plan; to work for exporting K 210 crores of goods in 1989-90; to seek mutually beneficial co-operation for limited duration of foreign countries and foreign economic organizations without adversely affecting the socialist system and the socialist economy when the State cannot afford the vast capital required for the maximum exploitation and utilization of natural resources or when high technology, specialists and technical equipment are needed; to use hydro-electric projects, gas-turbine combined electricity projects and coal-burning electricity projects in substitution of electricity for fuel oil as much as possible; to expand the transportation sector in con-

sonance with the increase in capacity of the production sector; to give priority to labour-intensive projects over capital-intensive projects to generate employment; to work for compilation of accurate statistics and surveys on distribution of national income to facilitate harmony between one economic sector and the other, between undertakings in one economic sector, production and consumption, prices and wages, prices of commodities sold by the State and those bought by the State, prices of exempted crops and crops purchased by the State, domestic production and foreign trade in order to implement the target for minimizing disparity between individual working people.

He explained that the concluding part calls for efforts to successfully achieve the main objective of the Fifth Four-Year Plan. The Party, mass and class organizations are to make necessary arrangements so that the people will enthusiastically and actively come to take part in the economic activities.

CSO: 4200/1546

BURMA

GENERAL SECRETARY REPLIES ON POLITICAL REPORT

Rangoon FORWARD in English Sep 85 pp 13, 39-48

[Text]

The following is a translation of Party General Secretary U Aye Ko's reply to discussions on the Political Report and the Fifth Four-Year Plan Guidelines.

The Political Report and the Fifth Four-Year Plan Guidelines were presented at the first-day session of the Fifth Party Congress now in session.

The Political Report and Plan Guidelines, being vital documents for the Party and the State were submitted to Party Unit plenary meetings to elicit the views of the broad mass of Party members. The delegates attending this Congress, having obtained the views of Party members, have also discussed and supported the Political Report and the Plan Guidelines.

Delegates who have thus discussed the Report and the Guidelines at the Party Congress, the supreme organ of the Party, have been serving the interests of the Party and the people: this is most gratifying.

I will reply to suggestions given by delegates classified in political, economic and

organizational subjects and with reference to the programme of future tasks.

I will first deal with *political matters*. To ensure smooth running of the socialist democratic machinery laws and rules regulating the Pyithu Hluttaw, the Council of State, Central and Regional Organs of Power conforming to the Constitution have been promulgated. The manner in which the affairs of State are to be regulated has also been legislated by the Pyithu Hluttaw as occasion arose. The Party has laid down principles to be observed in legislative work. The Council of State has also constituted a Law Commission to facilitate this work.

One delegate suggested exertion of pressure to expedite citizenship scrutinization and national registration with reference to the Burma Citizenship Law.

Under the Party Chairman's guidance, the third session of the Third Pyithu Hluttaw, after obtaining the view of the people, promulgated the Burma Citizenship Law, with the object of safeguarding the interests of the State and the citizens.

Regulations regarding citizenship, associate citizenship and naturalized citizenship have been prescribed. As for citizenship scrutinization, and registration, public announcements have been made by the department concerned defining work to be done by the People's Council, that to be done by departments concerned and points for understanding by the people. This work will become more efficient and gain speed as experience is gained.

Congress delegates have suggested, on the basis of the Political Report, re-orientation of the People's Council members.

As the role of members of the People's Council at different levels is important in mobilizing wide participation in regional affairs by regional people, the code of conduct of members of the People's Council has been given in Section 27 of the People's Council Law. The Code of Conduct calls for-

— allegiance to no other than the Socialist Republic of the Union of Burma:

- observance of provisions of the Constitution and all existing laws;
- personal conduct becoming of a member of the People's Council; and
- abstinence from self seeking through misuses; illegal gratification and coercion in exercising duties entrusted by the people as a member of the People's Council.

Members of the People's Councils will win the trust and co-operation of the people and be able to carry out their tasks effectively and successfully if they follow this code of conduct and strictly adhere to prescribed rights and responsibilities.

When dereliction of duty and breach of discipline by members of the People's Council at different levels is discovered, action is taken by the Council of State in accordance with Law. Guidance has also been given to exercise supervision to ensure that People's Council at different levels follow proper procedures.

The State President toured States and Divisions and gave guidance to People's Councils to rectify their weaknesses and perform their duties efficiently.

The Secretary of the Council of State keeps constant watch on the work of the People's Council and gives guidance where necessary and when occasionally meets the State and Division People's Council chairmen, urges them to rectify their weaknesses and perform their duties explicitly and correctly.

There is a suggestion that a member of a People's Council with a lien in his parent unit who had performed outstandingly be allowed as an exception to the rule to continue to serve the State fulltime for longer than one term.

Instructions have been issued to the effect that service personnel nominated for a second term of fulltime political duty with central and regional organs of power are to resign from their mother unit. This directive had to be issued because of emergence of problems in making promotions or appointing replacements in organizations when its staff continue to serve more than one term of political duty. A person who returned to unit after two four-year terms of political duty has been found to have lost touch with the work of his mother unit and departmental work suffered as a result.

The same directive has specifically mentioned that it is not to apply to persons exempted by the Central Executive Committee as exceptions in State and Party interests. This suggestion has already been incorporated in the Directives. Some Congress delegates suggested increase in the numbers of Executive Committee and Committee of Judges with People's Councils of certain village-tracts with many villages and of certain strategic wards and village-tracts.

The number of members on the Ward and Village-tract People's Councils is set in accordance with the populations. Where population is dense, the number of People's Council members is increased as prescribed by Law. It is in proportion to the number of members on the People's Council that the number of members on the Executive Committee and on the Committee of Judges are set. At ward and village-

tract level, the number of members on the People's Council Executive Committee and Committee of Judges is between three and five. This number is adequate to carry out affairs arising at wards and village-tracts if they so do it efficiently.

Just as there is the need for People's Council at different levels to exercise supervision for People's Councils to perform their work well, Party organizations also need to lead and guide right from nominating members to the People's Council up to the stage when they go on performing their duties strictly in accordance with rules and regulations and rights and responsibilities.

Congress delegates have suggested effective action against misbehaviour, corruption and misappropriations by service personnel; strict enforcement of posting orders; and initiation of welfare works and provision of housing.

The Central Committee Headquarters has instructed Standing Party Fractions of the Ministry, the Minister's office, departments and corporations to carry out strict supervision in reeducating service personnel. Instructions, based on points raised at the Union Day seminars have been issued for compliance by service personnel.

Similar directives have also been given to the State sector to uncover corruption of service personnel and also to put a stop to such activities. Organizational and administrative methods to deal with such problems are detailed in the

directives. Just as effective and systematic action have been called for against dishonest personnel, directives have been given and procedures prescribed for undertaking welfare works and ensuring fairness in transfers and promotions.

It has also been found that most of the personnel are Party members or members of the Workers Asaiyone. This being the case, it is necessary for various levels of Party organizations and the Workers Asaiyone to make effective efforts to ensure adherence to rules and regulations and for maintenance of personal character and integrity among workers. Regarding workers' welfare, those concerned should make every effort to ensure that service personnel in reality enjoy benefits prescribed.

Delegates suggested continuation of efforts to eliminate insurgency through people's strength.

Due to efforts made for elimination of insurgent disrupters by the Pyithu Tatmadaw and the working people working hand in hand, crises have appeared among destructive elements and some of them have returned to the legal fold. It only remains for the Party, the Council and the people to continue working hand in hand to ensure the final uprooting of these destructive insurgent elements.

Together with the elimination of insurgent elements, there is also the need to work for maintenance of law and

order and to oppose, expose and annihilate all destructive activities both above-ground and under-ground. All above-ground activities including those religious facades, those which incite racial conflict as well as spreading of malicious rumours in writing or by word of mouth constitute violation of law, opposition to authority and disruption of national unity. This being the case, the Party and Council organizations at all levels must take positive action according to law against all such activities.

Only such annihilation of above-ground and under-ground destructive elements will enable promotion of welfare of the people and development in peace and tranquillity. In doing this, the right kind of organizational activities and educative training should also be carried out extensively.

Regarding education, delegates have mentioned the necessity to consider the all-round personal development of individual students in giving admissions to professional institutes; to find ways and means of providing vocational education to those who have failed the eighth standard twice; to give priority to the posting of subject teachers to Basic Education High Schools and to take effective action, according to law, against private tuition classes.

The matter of health and strength of students, development of their intelligence and building their character which are all part of the all-round

development of school children have been carried out systematically since the time of the Revolutionary Council right up to now.

Even as all possible efforts are being made for provision of comprehensive education to the young people, parallel measures are also being taken in all aspects, under guidance and directives given by the Party Chairman, to raise the level of Burma's educational standard to world level, beginning with the primary schools to that of the universities and colleges. In attempts made to raise the level of education, efforts are being made to raise the academic level of students even as equally strenuous measures are being taken for extension of vocational training suitable to the educational level of the young people as part of the overall scheme of things to relate the education system to pursuit of means of livelihood.

In higher education, particular emphasis will have to be given to development of intelligence. Whether it be in the arts and science university or at the professional institutes, emphasis must be given to ability to absorb subjects taught at a high level. For, only when students are able to work particularly hard and are able to follow the professional or specialized subjects would they be worthy to themselves, to their parents and to the State. Therefore,

the quality of academic achievement and diligence shown by students will have to be considered in giving permission to continue learning.

Even as efforts are being made to raise the standard of education the mental, physical and character development of students is to be promoted constantly from primary level upwards to the universities and colleges level.

Students who had failed twice in the eighth standard can enter the opening provided by Youth Affairs Evening Classes in the townships. Students who have not passed the eighth standard and wishing to learn vocational work have access to trade schools, repair work training school and domestic sciences school. On the other hand schools specializing in industrial and agricultural vocation education will have to be extended.

Authorities concerned are making arrangements to provide subject-teachers according to needs of Basic Education High Schools. Even though every possible consideration is being given to social difficulties of teachers in appointing new teachers or transferring them from one place to another according to the nature and requirements of their responsibilities, emphasis here must necessarily remain on the educational interests of the students and the suitability of a teacher for teaching a certain subject.

Regarding the law on private tuition classes, authorities concerned have been provided with rules and regulations and it only remains for action to be taken accordingly.

Guidance given by the Party Chairman and the State President must be further followed and carried out so that the level of education attains a higher level. Still greater efforts must be made to improve moral integrity of students, to relate education to production, to relate academic training to on-job training, and to equate education system with livelihood.

In matters concerning health, delegates have discussed insufficiency of doctors and nurses, short supply of medicines, poor quality of service at hospitals, selfishness of some doctors, lack of desire on the part of some doctors to serve in remote and inaccessible areas, need to lay down and implement specific programmes to prevent malaria and hepatitis, and need to amend laws so that narcotic drugs may be more effectively combated.

In public health matters, work is being done according to the People's Health Plan. The State is spending more on health. Doctors, nurses and midwives and other health personnel are being trained according to specific programmes and increasing numbers are being appointed. Hospitals are being improved according to specific projects that

reflect condition and particular requirements of the regions concerned. Medicines and medical stores needed in hospitals are being distributed systematically. All such activities have to be carried out subject to the State's financial ability and will have to be developed according to plan.

Suppression of specific diseases is also being done systematically after surveys and researches made region-wise. If there are particular incidences of malaria or hepatitis, authorities concerned are to be informed for action.

Directives have been issued to curb selfishness and greed of some doctors. Authorities concerned are also taking administrative action to deter such activities. The matter of doctors operating private clinics is also to be dealt with through inspections and supervision according to rules and regulations.

Authorities concerned are taking strict action against misconduct among doctors and against failure to obey posting orders.

Further efforts must be made to ensure that the work being carried out in the sphere of health is according to the policies laid down by the Party. Still greater endeavours must be made in medical research, in the work to upgrade traditional medicine and for more effective utilization of traditional medicine for the development of public health.

Congress delegates have discussed the need to de-

velop people's literature to preserve Burmese tunes and styles in music compositions and to re-orientate the theatrical world.

To bring out literary works beneficial to the people, the Burma Socialist Programme Party has laid down policy on literature. All writings are being scrutinized in accordance with this policy. It is also being done through award of literary prizes.

In the world of music, modern Burmese music supervision group and classical music supervision group have been formed to preserve Burmese musical tunes and Burmese styles. These groups, with the assistance of prominent musicians are doing supervision work. The State is also supervising the business of tape recording of music in accordance with cultural policies.

To preserve true Burmese cultures in literature, music, theatrical arts, motion picture productions and to develop modern music not harmful to moral character and national culture, the State is doing supervising work through management methods and by rendering necessary assistance. On the other hand, it is also necessary for the Literary Workers Organization, Motion Picture Council, Music Council, Theatrical Council, and Traditional Artists and Artisans Council Organizing Committees to carry out organization, education and rectification work.

I will now come to the economic sector. Party Congress delegates have discussed Political Report and Fifth Four-Year Plan Guidelines on the basis of conditions prevailing in their respective localities. In discussing matters relating to plan guidelines, they have supported the main aim of the plan as being in consonance with realities.

The Party is not only laying down economic plan guidelines but is also giving necessary directions for systematic implementation. With the Fourth Four-Year Plan coming to an end, this Party Congress will lay down guidelines for the Fifth Four-Year Plan.

In every four year plan guidelines are laid down on the basis of the situation prevailing in the country, and directed towards achieving the 20-Year Long-Term Plan. In the Fifth Four-Year Plan, the main objective is "to make arrangements to harmonize the existing economic undertakings and accelerate production with a view to achieving the objective of the 20-Year Long-Term Plan."

Before laying down this guideline, careful appraisals were made of the implementation of the 12-Year period of the 20-Year Long-Term Plan, and of the implementation of the Fourth Four-Year Plan. Such appraisals show that there is need to rationalize relations between one economic undertaking and another in order that the Party's economic strategy to bring about

marked development in production and to create favourable economic conditions is realized.

The main objective of the Fifth Four-Year Plan is set in relation to targets of the 20-Year Long-Term Plan; on the basis of experience gained in implementation of the Fourth Four-Year Plan, in accordance with the economic strategy of increasing production, and on the basis of availability of local and foreign currency. In implementing the Fifth Four-Year Plan, the main objective must not be lost sight of.

Party Congress delegates have supported the growth rate of Gross Domestic Production as being contributory to fulfilling the targets of the Long-Term Plan. They have urged that efforts be made to achieve this aim without fail.

The year 1985-86 is the final year of the Fourth Four-Year Plan as well as the base year of the Fifth Four-Year Plan. As the Fifth Four-Year Plan targets are set with a belief that targets of the Fourth Four-Year Plan will be successfully implemented, it is important to ensure the outcome is in accord with the belief. GDP will be K 2,678 crores at the end of the Fifth Four-Year Plan only when a GDP of K 2,111 crores is achieved in 1985-86. A Gross Domestic Product of K 2,678 crores has been targeted so as to meet the target of the 20-Year Long-Term Plan. Efforts must be made

for the realization of this target.

Only if K 2,111 crores GDP is realized in the base year will there be a growth rate of 6.1 per cent annually and K 2,678 crores GDP will be achieved in the final year. The targeted Gross Domestic Production is one which must be attained without fail. If the targeted GDP of K 2,111 crores is not realized in the base year, it means that the next year will have to begin with less than the targeted K 2,111 crores. Efforts must be made for the realization of more than the targeted annual growth of 6.1 per cent. This fact must always be borne in mind for only then will the aim of the Fifth Four-Year Plan be realized. Congress delegates have given suggestions on ways of increasing production on the basis of experience gained in their respective regions. These suggestions include means for increasing production in the agriculture sector as well as in industrial sector.

The economic strategy of the Party is to markedly increase production. When striving to boost commodity production, this aim must not be lost sight of.

Efforts for increasing production, must be subject to availability of local and foreign currency and on investment abilities. At present, there is the need to invest only in selected projects that are sure to produce most in the shortest of time. The existing means of production

must be further compacted and investment capacity enhanced.

Production must be geared to the needs of the people and of export trade. Increasing production is imperative under the present circumstances. The Political Report and the Fifth Four-Year Economic Plan Guidelines have mentioned this point. Production must therefore be done in accordance with priority programmes contained in the guidelines.

Production programmes, investment programmes and economic structure transformation plans must all be inter-related. In making investments sector-wise, priority has been given to increased production from agriculture, livestock and fishery and forestry sectors for export purposes. Agricultural production is an important sector in our economy. Agriculture sector can produce food for domestic consumption, commodities for export and raw material for our industries. Making investments in this sector is sure to bring benefits within a year or a season even when weather condition is just good. It can be undertaken with little investment, and since necessary land and manpower are available, it brings benefit within a short time. Therefore this sector is the most promising sector for getting quick returns, for strengthening national economy and for feeding

the people. Similarly, livestock and fishery sector and forestry sector will with increased production provide food for domestic consumption and surplus for export.

One of the targets of the 20-Year Long-Term Plan is to change the economic structure proportionately through systematic planning from a basically agrarian economy to an agro-based industrial economy concomitantly, for step by step establishment of the industrial sector simultaneously with firm establishment of conditions of greater productivity in the agricultural sector.

To increase production in the agricultural sector, investments should be made with a view to getting maximum net returns in the shortest possible time giving priority to works that require the lowest possible ratio of foreign exchange investment. In trying to make investments in industrial sector as productive as possible, measures must be taken to increase the proportion of industrial production in the value of GDP. It is for this reason that the Political Report has included as one of the tasks the need to increase productivity of investments in the industrial sector even as measures are taken for increasing production in the agriculture, livestock and fisheries and forestry when investment plans are made. This factor must be taken note of in implementing

the Fifth Four-Year Plan.

Delegates have discussed in considerable detail the subjects of investment, accumulation of financial resources and extension of exports.

Investments are essential in implementation of economic plans and capital must be found both inside and outside the country. It is found that investments made during the first three four-year plans are below target set in the Long-Term Plan. This is because capital for investments obtained inside and outside the country was below targets.

Within the country, such investment capital should be found through savings. Having set the accumulation of capital as one of the targets, definitive measures must be taken for accumulation of domestic capital through consolidation of Kyat currency. In strengthening the Kyat, State economic organizations must try to depend on their own financial resources instead of relying on bank loans. Every effort must be made to follow the injunction that economic enterprises must run in a strictly business-like manner. Taxes must be collected in full. Co-operative law and rules must be suitably amended so that greater investments may become possible in the co-operative sector. Greater investments on the part of private enterprise should be encouraged through appropriate arrangements within conditions imposed by law. Every emphasis should be given to the task of attaining as projected the

ratio of domestic capital accumulation as targeted by the end of the terminal year of the Fifth Four-Year Plan.

The amount of foreign exchange required for necessary investments is to be obtained through export. Import of capital goods, raw materials, machinery spare parts and essential consumer goods require foreign exchange. Besides this, increasing amounts of foreign exchange are required for repayment of foreign loans procured for implementation of major projects. These are the pressing reasons why extension of exports is a must.

It is essential to successfully carry out through specific priority programmes the cultivation and marketing of crops besides rice which require only reasonable investments and provide good returns in the short term and which have high potential in the world market. Fish and prawn production, which can bring about rapid increases in the value of exports within a short time should also be extended.

Attempts should be made to double exports so that the K 210 crores target for the terminal year of the Fifth Four-Year Plan may be realized. In such endeavours it is important that the required support materials and assistance be provided as needed on a priority basis. Even as efforts are being continued for increasing export of traditional items such as rice, rice products, beans, pulses, animal feed, timber and minerals, similar efforts

should be taken for export of other items. Besides export of goods, services sector should also be encouraged to try and earn foreign exchange, suggested delegates in their discussions. As the income being earned by services sector is growing year by year, efforts are to be made for such private services sector to earn more foreign exchange as suggested by the delegates.

Delegates also discussed matters concerning concerted efforts for upgrading the role of the co-operative sector; for some of the provisions in the co-operative law and directives to be amended and for creating improved conditions for establishment of agricultural co-operatives.

It is essential that the ownership ratio of the State and the co-operative sector increase further for the definitive emergence of socialist production relations according to the basic targets of the 20-Year Long-Term Plan. Even though there are very good chances for ownership ratio of the State sector to attain the targets of the 20-Year Long-Term Plan by the end of the Fourth Four-Year Plan, that of the co-operative sector is likely to fall far short of targets.

To get the ownership ratio of co-operative sector as envisaged in the Long-Term Plan, it is necessary to redouble efforts in accordance with the co-operative policy objectives and co-operative policies. Arrange-

ments are being made for finding out main causes of the slow growth of ownership ratio by the co-operative sector and for taking necessary remedial measures. Steps are also being taken not only to bring the Union of Burma Co-operative Law, 1970, in line with the Constitution but also to draft a new law to be in keeping with the present political, economic and social conditions.

A directive on formation of agricultural producers' co-operatives has been issued for expanding co-operative-owned agricultural undertakings for raising co-operative ownership ratio as called for in the Long-Term Plan Guidelines. In accordance with this directive, States and Divisions have also drawn up and submitted projects for formation of agricultural producers' co-operatives. Agricultural producers co-operatives will be formed after due scrutiny of projects. Just as it is necessary for co-operative members to increase their shares, it is also necessary for the State to provide necessary assistance to ensure development and success of these co-operative societies.

That is why a programme for extended formation of State-owned agricultural production organizations, agricultural producers' co-operative societies and other producers' co-operative societies is given in the Political Report.

Guidance has also been given in the Fifth Four-Year Plan Guidelines for State-

owned and co-operative-owned sectors together to produce more than private-owned sector, and particularly for co-operative sector to strive for marked increase in production which is still far short of targets.

Regarding ownership ratio, co-operative sector ownership ratio has been targeted at 26 per cent of the GDP in the final year of the 20-Year Long-Term Plan. As there remain only two Four-Year Plans including the Fifth Four-Year Plan for implementation of the Long-Term Plan, the Long-Term Plan objectives must not be lost sight of. In order to further improve the ratio of co-operative ownership co-operation and assistance of the Party and mass and class organizations are to be acquired and projects that can be carried out by the State sector must be implemented. The success of co-operative activities depends on leadership given by the Party and mass and class organizations as well as on participation of the people, organizational activities must be carried out to enlist the co-operation of the people. Congress delegates have widely discussed utilization of underground water and fallow land for extension of paddy cultivation and of scheduled crops; for plantation of coffee by the State, and change over to cultivation of crops with good export prospects.

As the agriculture sector is a significant economic sector, efforts are being made to boost production in

this sector through use of modern agricultural methods, adoption of crop patterns that will be regionally suitable, construction of irrigation canals and dams and extension of flood prevention work, and provision of materials such as chemical fertilizers and pesticides. Underground water is also being used in cultivation in appropriate areas. Cultivation for regional sufficiency and projects for water conservancy are heartening.

Investments by the State are being increased subject to financial limitations.

Twelve special projects are being drawn up for extended cultivation of the 16 crops with good export prospects. Cultivation of pulses, coffee and maize is to be extended according to these projects. It is necessary not only to make capital investments but also to make available supportive materials fully and well in time. In this sector, it is necessary to carry out extension not only of cultivation of paddy but also other crops needed by the people.

It is essential that population growth is in harmony with available natural resources, technology, capital and food production in the State. Virgin and fallow land must be brought under the plough to grow more food for the growing population while efforts are made persistently to boost per-acre yield. As there still are 21 million acres of virgin land in Burma, detailed plans are to be drawn and long-term and

short-term projects executed to ensure success in making these lands cultivable.

Population growth and food production capacity have therefore been linked in the Political Report and the necessary advance planning has been put down as a task in the Programme. As this programme is not only for present conditions but also for the future it must be carried out seriously and vigilantly.

Party Congress delegates have suggested that in the Livestock and Fishery sector, sufficient feedstock and medicines be provided and production of fish and prawns be expanded.

If production can be raised in the Livestock and Fishery sector sufficiency for domestic consumption will be achieved and export extension made possible.

That is why pedigree stocks distribution, animal disease prevention and treatment, conservation, under the Fishery Act of fresh-water fish and extension of sea-fishing are necessary. Party and State sector personnel have systematically studied jointly main production areas and are planning, through better methods, extended production of prawns which have good export prospects.

Party Congress delegates have suggested efforts for improvement of industrial production renovation and repair of factories, sale of spare parts, production of finished goods as well as semi-finished goods by future factories and optimisation of production by factories

subject to availability of raw materials.

In order that Burma may move further toward an agro-based industrial nation, it is necessary to boost productive capacity considerably as suggested by Congress delegates. In order to do so, capital must be invested, mills already built will have to be made to run to full capacity while emphasis laid on the timely completion of those being built. It is necessary to build mills and factories that can produce commodities the majority of the people can use, and factories which can produce not only finished goods but also semi-finished goods.

Some mills are unable to run at full capacity because of shortage of agricultural raw materials. All regions must produce industrial raw materials to fulfil the requirements of the mills. If such production is possible, if renovation and repairs are possible in time, running of mills to full capacity will be possible.

Emphasis must be laid on running industries to full capacity as called for in the Fifth Four-Year Plan Guidelines and if local and foreign capital are not available, running of industries to full capacity must be given priority over building of new industries.

Congress delegates have suggested boosting of electric power production and distribution.

As electricity is energy indispensable for industry as well as for household use, electricity must be

readily available when extending State commercial establishments. That is why directives have been issued for the extended production of electricity in line with the programmes for extension of industries. The State is stepping up building of hydro-electric power stations wherever feasible in consonance with the guideline that hydro-electricity be given priority in electricity production. Extension of power transmission and distribution is being stepped up, including extension of the main power grid.

Guidelines have already been laid down for construction of more power generating facilities to save consumption of fuel oil where possible electricity is to be generated by water power, natural gas and by burning coal. Therefore, implementation must be made in consonance with these guidelines during the Fifth Four-Year Plan period.

Congress delegates, citing conditions in their respective regions, have urged further efforts in the Transportation sector.

Transport and communications sector serves production, services, trade and travel. Targets of transport and communications sector as regards value and quantity in the final year of the Fourth Four-Year Plan are found to be lower than the long-term plan targets. As pointed out by the delegates, difficulties are being faced in movement of raw materials, distribution of finished goods, and in

public travel. There will be production and distribution bottlenecks if progress in transportation sector does not keep pace with progress of production. Provisions have therefore been made in the Fifth Four-Year Plan Guidelines for expansion of transportation facilities.

For development of transportation sector, low-cost bulk transport facilities, extension of passenger and freight transport facilities, transport vehicles must be increased, and roads, bridges, and jetties must be extended. It is necessary to utilize vehicles in the private sector.

Delegates have discussed plan performance during the past ten years. As they have noted, plans have been fulfilled in some instances and not fulfilled in others.

The Fifth Four-Year Plan Guidelines aim at achieving objectives in the remaining four-year plans.

I will now dwell on economic and social developments in the past 20 years. Although plan performances have not been up to four-year plan targets, the economic and social conditions have improved in the past 23 years due to systematic formulation and implementation of economic plans. Improvements achieved in 1984-85 will be described with reference to conditions in 1961-62.

There has been a marked increase in the GDP between 1961-62 and 1984-85. Sectoral production values have also risen.

Such increases are results of increased investments. Investments totalled K 69 crores at current prices in 1961-62. They rose to K 1,005 crores in 1984-85.

In agricultural sector, water supply and flood prevention works were carried out to increase production. Water supply was boosted by construction of Washawng, Moby, Ngwedaung, Kyetmauktaung, Yezin, Mondaing, North Nawin, Sedawgyi and Kinda Dams and flood prevention was effected through Lower Burma Paddyland Development Project.

As a result, total crop area including multiple-crop area increased from 19 million acres in 1961-62 to 26 million acres in 1984-85 and irrigated acreage increased from 1.3 million acres in 1961-62 to 2.7 million acres. Increased input of fertilizers, pesticides and agricultural loans led to increased crop yields and total output. Fertilizer supply increased from 26,265 metric tons in 1961-62 to 405,784 metric tons in 1984-85. A sack of urea cost K 41.16 but is sold at K 9 and the State subsidy is K 32.16 a sack. Pesticide use increased from K 500,000 worth in 1961-62 to K 1.9 crores in 1984-85. Agricultural loans increased from K 24 crores in 1961-62 to K 123 crores in 1984-85, including medium term loans to buy farm implements.

In mining, crude oil output rose from over 41.3 million US barrels in 1961-62 to over 11.7 million in 1984-85. The country now produces natural gas, steel and refined copper, which was never produced in 1961-62.

Increased investments in manufacturing sector led to increase in the number of factories and mills in the State Sector from 1,094 in 1961-62 to 1,734 in 1984-85. They include fertilizer plants, textile mills, refineries, heavy machinery plants, jute mills, cement mills, sugar mills, metal refining plants, seasoning powder factory, tin concentration plant, copper refining plant, glass factory, sheet glass factory, ceramic plant, rice mills, saw mills and plywood mills.

Production of sugar, paper, cement, textiles, soap and gunny bags increased between 1961-62 and 1984-85 and production of chemical fertilizers, bicycles, motor vehicles, water pumps and farm tractors, non-existent in 1961-62, was started and expanded in later years.

Electric power output rose from 324 million kwh in 1961-62 to 1,804 million kwh in 1984-85. The number of towns and villages getting electric supply increased from 688 in 1961-62 to 1,000 in 1984-85.

Union highways were extended from 2,284 miles in 1961-62 to 2,452 miles in 1984-85. Other main roads were extended from 4,102 to 11,881 miles. Thirty seven bridges were built.

There have been improvements in State transportation services. It increased from 1,126 million passenger-miles and 710 million ton-miles in 1961-62 to 3,720 million passenger-miles and 791 million ton-miles in 1984-85. Postal, telephone and telegraphic services were extended, and, where there were none before, there are now 150 telex machines.

Improvements were also effected in social conditions such as in education and health services. From 1961-62 to 1984-85, there have been increases from 13,784 to 29,737 primary, middle and high schools, 19 to 95 vocational schools, six to 35 institutions of higher education, 48,988 to 146,422 primary, middle and high school teachers, 1.9 million to 6.1 million students, 5,819 to 22,558 vocational students, 19,855 to 174,297 University, Institute and College students. Education expenditure was raised from year to year— from K 15.2 crores in 1961-62 to K 100.3 crores in 1984-85. Literacy per 100 increased from 57 in 1961 to 81 in 1985.

More hospitals and dispensaries were opened and more doctors, nurses and lady health visitors appointed from year to year. From 1961-62 to 1984-85, there have been increase from 269 to 621 hospitals, 555 to 1,267 rural health centres, 194 to 336 maternity and child care centres, 1,778 to 10,072 doctors, 2,409 to 13,594 nurses, midwives and lady health visitors, from

none to 369 State service indigenous medical practitioners. Health expenditure was increased from K 5.5 crores to K 59.5 crores.

Life expectancy of people has improved. For male it rose from 45 in 1964 to 61 in 1983. For female it increased from 48 in 1964 to 65 in 1983.

A review of plan implementation in over 20 years shows there have been successes. Although there are shortfalls in some aspects there have been improvements in economic, education, health and other social fields. Improvements will be still higher, if implementation is successful in accord with guidelines laid down by the Party Congress.

It is necessary to follow the guidelines to develop socialist economy through planning, in accord with guidance given for Party, mass and class organizations and State organizations to exercise socialist democracy in formulation, implementation and appraisal of plans. As Burma's implementation of economic plans is connected with global economic conditions. When the world economic situation changes corresponding changes will have to be made in the Fifth Four-Year Plan. In so doing, we will be able to face any situation if we systematically consolidate our natural resources and manpower.

The Party will provide leadership in implementation of the Fifth Four Year Plan. In

order to have the right qualifications to provide such leadership, there should be a self cultivation process. At the same time, attempts will have to be made to procure conscientious and energetic implementation by workers and peasants in economic activities under the leadership of the Workers and Peasants Asiayones.

In the State sector, various levels of People's Councils and the various service organizations will have to systematically carry out the economic plans in accordance with the Constitution, laws, regulations and directives.

These Party organizations which will have to provide essential leadership role, the Peasants and Workers Asiayones which will have to do organizational work and the People's Councils which will have to carry out practical implementation have already been firmly established as very strong entities. There is a need to systematically carry out the essential work through proper division of responsibilities after these basic entities have been brought in to dynamically participate in the economic activities and after the people's strength have been utilized. If economic plans can be energetically carried out with the full participation of the people, tasks stated in the Political Report and targets of the Fifth Four-Year Plan Guidelines will surely be realized. Hence it is urged that every effort be made to more

firmly establish the good political and social conditions even as all-round efforts are made for full realization of the economic tasks and attainment of targets according to the guidelines.

Next is *organizational affairs*. In discussing organizational affairs contained in the Political Report, delegates have submitted ideas concerning scrutiny of Party members; upgrading of Party membership status; enrolment of friends of the Party and Party members in groups and cells respectively and expansion of Party membership.

Scrutiny of Party members and the upgrading of Party membership status is being carried out according to guidelines given by the Party Chairman. In order to remove any delays in the scrutiny of Party members, work was carried out under three specific projects. The result has been an obvious improvement in these matters. Besides this, the Central Committee Headquarters and the Party Units concerned carry out co-ordination work in October every year. Because of this the annual Party membership strength returns have become increasingly accurate. The upgrading of Party membership status used to encounter much delays in the past. But today, due to systematic work under these projects, this work is being carried out in time.

To expedite the work of scrutiny and upgrading primary Party

Organizations must necessarily present accurate data. By the same token, Party Units on their part should be thorough in checking the data presented to them in accordance with prescribed rules and to forward them accordingly. Only then would it be possible to cut down waste of time which ensues when queries have to be made on incomplete data.

Friends of the Party and Party members who do not belong to any group or cell is basically the responsibility of the Party cells concerned. Every Party member must have a group of friends of the Party around him and it is his business to see that he or she has constant contacts with such friends; if this is done, there is no reason why any should lose contact and become separated from Party activity.

Primary Party organizations are formed where Party members are resident; therefore, Party cell leaders and deputy leaders must make it a point of using every opportunity and time available to maintain contacts with Party members. It has already been prescribed that primary Party organizations should have regular discussions and meetings. By organizing such discussions and meetings a Party cell will be able to keep in contact with its members and be able to have constant appraisal of its Party members.

More frequent contacts would be maintained between cells and Party

members if the work of upgrading friends of the Party to Candidate members and Candidate members to Full-fledged

Party members is carried out without interruption.

It was suggested that emphasis should be placed upon young people in the work for the extension of Party membership. The population of Burma in 1985-86 was over 37 million. About half of this number are young people. These young people would one day take over the responsibilities of national construction and national defence. Hence young people, as auxiliary force of the Party, should be organized in the Teza Youth, the Shesaung Youth and Lanzin Youth organizations and properly nurtured for their future roles.

It is the responsibility of the various levels of Party organizations to systematically make efforts to imbue the young people with patriotism and correct outlooks.

Since over-18 youths in the Party is only about 15 per cent of the total the extension of Party organization among the young people requires greater attention on the part of the Lanzin Youth Organization and the Party organizations concerned.

According to the 1985-86 data, the number of peasantry is over 9,500,000. Out of this peasant population the number organized in the Peasants Asiayone is only a little over seven million.

Out of the total number of members of the Peasants Asiayone only over 800,000 have been organized to become Party members—about 11.16 per cent only. It is evident from these data that further organizational work is required so that all peasants become members of the Peasants Asiayone and all members of the Peasants Asiayone become Party members.

A study of the number of Party members among the Workers Asiayone members shows that out of the Asiayone membership of nearly two million, there are nearly 500,000 who are Party members, constituting 26.45 per cent. Therefore further efforts must be made for more members of the Workers Asiayone to become Party members.

Efforts should also be made for extending organizational work among women. Well over half of Burma's population is made up of women. It is part of Burma's historical tradition that there has never been discrimination between sexes and women have always enjoyed equal opportunities. Today too, the Constitution specifically prescribes equal rights and opportunities for men and women. In practice, on the worksite, there is no discrimination between men and women provided qualifications are equal and duties are assigned accordingly. A study of Party membership shows that women Party members constitute over 400,000 out of nearly 2,400,000 total Party membership constituting 18.31 per

cent. For this reason organizational work among women should be extended by all levels of Party organizations.

Concerning the business of scrutiny and upgrading of Party membership status and extension of Party organization matters, there are some priorities which should be followed.

The reason why the Party is organizing the peasantry, workers, young people and women is to systematically, effectively and extensively carry out the work of realizing the Party's aspirations for the perpetuation of the State and the establishment of an affluent society with united and cohesive strength. Implementing Party and State policies and programmes, improving economic conditions and quality of life of the people, doing national defence and security duties must all be accomplished with the organizational strength of the Party.

The work being carried out by the Party is for the welfare of the people. Such noble work may be effectively carried out only with the leadership of people of goodwill and exemplary character. Hence the Party's objective of all organizational activities are: the realization of the Party's aspirations; the establishment of firmer national unity; efficient working of the socialist democratic machinery; and efficient implementation of the economic plans.

Concerning the measures to be taken for establishing a firmer and more cohesive na-

tional unity, a suggestion was made that the number of students being currently accepted at the Academy for the Development of National Groups be increased with entrants from those regions where development has been slow.

The Academy for Development of National Groups was established in 1964 in accordance with the guidance given by the Party Chairman. The ADNG aims at further cementing national solidarity. The purpose of bringing the ADNG into being is to educate and train the youths from national groups to enable them, to cultivate in themselves and then strengthen the spirit of love and friendship among national groups and the union spirit as well as to enable them to help bring about regional education and general development in under-developed areas.

Youths from States and Divisions, with prescribed qualifications are being given education and training there in accord with these aims and objectives. Youths are admitted to the ADNG on the basis of three requirements: selection in accordance with the rules laid down under education schemes; selection of youths from areas where they are actually needed for development and national solidarity and selection of those who promise to serve at the schools in areas to which they are assigned. Priority is given to the States in determining the number of youths admitted. Admitted to Course No 16, for

example were one from Rangoon Division; three from Pegu Division; four from Mandalay Division but 17 from Kachin State; 11 from Kayah State; 17 from Chin State; and 36 from the Shan State. Selection is also made in such a way as to represent, as far as possible, all national groups of the States and Divisions.

Just as the number of trainees from underdeveloped areas has been increased, the number of youths admitted to the ADNG on the whole has also been increased from time to time. The breakdown in the number of youths admitted to the ADNG was 150 in 1964; 175 in 1972 and 200 each year from 1982. Since 200 are admitted for each course, the ADNG now has 800 trainees with 200 each in the first, second, third and fourth year courses.

The necessity for Party cadres to fully accept and practise Party ideology and basic programme; to serve Party and State interests honestly and sincerely, has been mentioned by Delegates. They have also pointed out the need to systematically scrutinize Party cadres before assigning them duties as well as to guide and correct the shortcomings and weaknesses of cadres to whom duties have been assigned.

Party cadres are the hardcores of the Party. Party cadres are assigned duties within the State machinery and in important positions in mass and class organizations in order to raise the leadership role of the

Party. To be able to assign such duties, Party organizations at different levels scrutinize Party cadres before and after assigning duties to them.

Party members and cadres have to attend training courses opened at the Central Institute of Political Science, at Party Regional Committees and Command Headquarters to raise their qualifications and abilities and be imbued with correct ideological concepts and conviction. Guidance is given to them from time to time while they are engaged in their respective work.

The Party Central Committee Headquarters, from time to time, sends directives to prevent such well-cultivated and well trained cadres from being wasted and it is necessary for Party organizations concerned to keep a watch on Party cadres with whom they are in close contact, study and guide them and reform them. It is necessary for Party cadres on their part to observe the rules and regulations laid down by the Party, the State and the mass and class organizations as well as norms of ethics befitting their duties and positions. Party cadres must always be striving to be imbued with strengthened concept and conviction, to improve personal integrity, to be honest and straightforward and to be skilled in their fields of work, to carry out their tasks most conscientiously and to be exemplary in all these. Only then will they be able to earn the love, respect

and confidence of other Party members and carry out their duties effectively and successfully.

I would like to dwell on the matter of enlarging staff strength of Party Unit offices.

The matter of increasing office staff members of Party Units is being considered as a whole on the basis of the volume of work involved as well as of financial capacity.

With the organizational field of the Party Units getting wider and the leadership role of the Party getting higher, it is true that the work and tasks of the Party have grown and varied and responsibilities have become heavier. However, if the office is systematically managed, sharing organizational duties and office management duties, work can go on well and smoothly. As the number of Party members in Party Units has increased it is necessary to organize skilled persons from among Party members to give voluntary service. Duties on the strength of their skills can be assigned to such volunteers. It is necessary to systematically carry out educative and training work for Party members to enable them to do both office management work and organizational work.

With the Party getting mature, it has become necessary for Party Unit chairmen and secretaries to take the responsibility of systematically carrying out duties in financial matters, maintenance of accurate Party membership strength lists and

keeping record of instructions, records and documents while other Unit Committee members can help them carry out these tasks.

If the capacity of Party members is utilized in such a way and if there is systematic division of labour within Party Unit Committee, Party Unit office work can be effectively and systematically done.

I would, on behalf of the Central Committee, like to thank the delegates for discussing in support of the Political Report of the Central Committee and the Fifth Four-Year Plan Guidelines and giving suggestions for effectively carrying out the Party work and for serving the interests of the people.

As regards discussions and suggestions of Party Congress delegates, replies have made in three parts: political, economic and organizational. Some of the suggestions are to be translated into realities through consultations in the respective areas. Some suggestions are concerned with the whole of the

Party and the whole of the country and the Central Committee will continue to take action on them.

Presentation in full, of the situation in performance of work during the tenure of the former Party Congress, presentation of the programme of work to be carried out in the next tenure and discussing these presentations frankly and giving replies on them at this Party Congress which is the supreme organ of power of the entire Party are acts of service in interests of the people with all seriousness as befitting the Party of the people.

The programme of tasks and the Fifth Four-Year Plan Guidelines to be laid down by this Congress will be carried out during the term of the Fifth Congress.

The political, economic and organizational programmes of work and the Fifth Four-Year Plan guidelines to be carried out are inter-related. The Fifth Four-Year Plan Guidelines are aimed

at and oriented towards striving to raise productivity so as to be able to further meet the food, clothing, shelter and social needs of the people. By ensuring balance in the present economic work during the term of Fifth Four-Year Plan the economic activities will proceed smoothly, and this will inevitably result in the gaining of momentum in commodity production.

In striving to achieve the targets set in the Fifth Four-Year Plan Guidelines, co-operation and collective endeavours of all economic organizations are needed; the abilities and strength of the people must also be mobilized.

On behalf of the Central Committee, I would like to conclude by urging this Party Congress to approve and adopt the Political Report of the Party Central Committee and the Fifth Four-Year Plan Guidelines as well as to carry out unitedly, with zeal and unswerving devotion, sector-wise all resolutions and programmes work to be adopted by this Congress.

BURMA

RESOLUTIONS OF 5TH PARTY CONGRESS

Rangoon FORWARD in English Sep 85 pp 19-20, 48

[Text]

The sixth-day session of the Fifth Party Congress of the Burma Socialist Programme Party placed on record three matters, confirmed eight matters and laid down four resolutions.

Matter placed on record 1: Amendments to the Party Constitution Procedures and amendments to the Party manuals confirmed by the Central Committee of the Burma Socialist Programme Party.

1. Amendments to the Party Constitution Procedures and amendments to the Party manuals confirmed by the Central Committee of the Burma Socialist Programme Party were presented to the Fifth Party Congress on 5 August 1985.

2. These amendments to the Party Constitution Procedures and amendments to the Party manuals confirmed by the Central Committee are placed on record by this Fifth Party Congress.

Matter placed on record 2: List of members of the Central Committee elected by the Fifth Party Congress.

1. The first-day session of the Fifth Party Congress held on 2 August 1985 prescribed the number of members of the Central Committee of the Burma Socialist Programme Party as 280.

2. The Fifth Party Congress elected 280 Central Committee members on 5 August 1985 in accordance with the Constitution, Procedures and Methods of the Burma Socialist Programme Party. The list of the names of the 280 Central Committee members thus elected was announced at the Party Congress on 6 August 1985.

3. The list of the names of the elected Central Committee members is placed on record by this Fifth Party Congress.

Matter placed on record 3: The list of names of the elected

Central Committee Chairman, Vice-Chairman, General Secretary, Joint General Secretary and Central Executive Committee members, and those assigned duties by the Central Executive Committee.

1. The first meeting of the Central Committee held on 6 August 1985 elected the Central Committee Chairman, Vice-Chairman, Central Executive Committee members, General Secretary, Joint General Secretary, Party Inspection Committee members and Party Discipline Committee members. The Party Inspection Committee and the Party Discipline Committee elected their respective Chairmen and Secretaries. Names of persons elected and those who were assigned duties were announced at the Congress on 7 August 1985.

2. The list of names of the elected Central Leading Committee members and those assigned duties by the Central Executive Committee is

placed on record by this Fifth Party Congress.

Confirmation 1: The speech delivered by Burma Socialist Programme Party Chairman U Ne Win.

1. On the first-day session of the Fifth Party Congress of the Burma Socialist Programme Party Chairman U Ne Win delivered a speech on points to be always followed in carrying out works.

2. The speech of Burma Socialist Programme Party Chairman U Ne Win is confirmed by this Fifth Party Congress to be accepted and implemented by the Party, mass and class organizations, State machinery and the entire mass of people as guide to action.

Confirmation 2: The Political Report of the Central Committee submitted to the Fifth Party Congress.

1. The Central Committee submitted the Political Report to the Fifth Party Congress of the Burma Socialist Programme Party. The Political Report was discussed in support by 15 Party Congress delegates.

2. The Political Report submitted by the Central Committee is confirmed by the Fifth Party Congress.

Confirmation 3: Confirmation of the Fifth Four-Year Plan Guidelines of the Socialist Republic of the Union of Burma and the report thereon.

1. Fifteen Party Congress delegates discussed in support of the Fifth Four-Year Plan Guidelines of the Socialist Republic of the Union of Burma and the report thereon submitted to the Fifth Party Congress by the Central Committee.

2. The Fifth Four-Year Plan Guidelines of the Socialist Republic of the Union of Burma and the report thereon submitted by the Central Committee is confirmed by the Fifth Party Congress.

Confirmation 4: Confirmation of prescribing of the number of Central Committee members.

1. The matter for prescribing the number of members of the Burma Socialist Programme Party Central Committee as 280 by the Fifth Party Congress was submitted on 2 August 1985 and the approval of the Congress thereon obtained.

2. The prescribing of the number of Central Committee members as 280 is confirmed by the Fifth Party Congress.

Confirmation 5: The Central Committee candidature list.

1. In accordance with Burma Socialist Programme Party Constitution procedures and methods, a 280-member Central Committee candidature list co-ordinated by the Party Congress delegates in groups on 3 August 1985 and the agreement of the Congress was sought.

2. The 280-member Central Committee can-

didature list is confirmed by the Fifth Party Congress.

Confirmation 6: Reply given by General Secretary U Aye Ko regarding the Political Report of the Central Committee and the Socialist Republic of the Union of Burma Fifth Four-Year Plan Guidelines and report on the guidelines.

1. The Political Report of the Central Committee and the Socialist Republic of the Union of Burma Fifth Four-Year Plan guidelines were discussed and supported with suggestions by 30 Party Congress delegates. Reply to discussions was given by Party General Secretary U Aye Ko on 4 August 1985.

2. This Fifth Party Congress confirms that the points contained in General Secretary U Aye Ko's reply will be accepted as guidelines and continued to be implemented.

Confirmation 7: The preparation made by the Central Committee in advance regarding Paragraph 36 (a) of the Constitution of the Burma Socialist Programme Party.

1. The approval of the Congress was obtained on 5 August 1985 in connection with the preparation made by the Central Committee regarding Paragraph 36 (a) of the Constitution of the Burma Socialist Programme Party.

2. This Fifth Party Congress accepts and confirms the preparations

made in advance by the Central Committee in connection with Paragraph 36 (a) of the Constitution of the Burma Socialist Programme Party.

Confirmation 8: The amendments to the Constitution, which did not involve principle and which would not cause any departure from original sense, made by the Central Committee.

1. The approval of the Congress was obtained on 2 August 1985 in connection with the amendments to the Constitution, which did not involve principle and which would not cause any departure from original sense, made by the Central Committee as empowered by the Fourth Party Congress.

2. The amendments to the Constitution, which did not involve principle and which would not cause any departure from original sense, which could be made by the Central Committee, are confirmed by the Fifth Party Congress.

Resolution 1: Resolution in connection with proposals for amending the Constitution of the Burma Socialist Programme Party.

1. The decision of the Party Congress delegates in connection with the proposals for amending the Constitution of the Burma Socialist Programme Party was taken by vote; more than 75 per cent votes of approval were obtained.

2. The Fifth Party Congress resolves to amend the Constitution of the Burma Socialist Programme Party as proposed.

Resolution 2: Resolution for delegating to the Central Committee the right to amend the Party Constitution in matters which do not involve principle and which would not deviate from the original sense.

The Fifth Party Congress resolves to delegate to the Central Committee the right to amend the Constitution of the Burma Socialist Programme Party in matters which do not involve principle and which do not deviate from the original sense; if necessary and that any such amendments made be reported to the nearest Party Congress for confirmation.

Resolution 3: Delegating power to the Central Committee to make changes if necessary, if there should arise unforeseen circumstances in the implementation of the Fifth Four-Year Plan Guidelines of the Socialist Republic of the Union of Burma.

The Fifth Party Congress resolves to delegate the right to the Central Committee to make changes if necessary if there should arise unforeseen circumstances in the implementation of the Fifth Four-Year Plan Guidelines of the Socialist Republic of the Union of Burma after reciprocal co-ordination within the framework of the 20-Year Long-Term Plan.

Resolution 4: Resolution in connection with the future tasks.

1. The following future programmes of work con-

tained in the Political Report submitted by the Central Committee to the Fifth Party Congress has been confirmed together with suggestions in support by Party Congress delegates.

(A) Politics

- (1) To continue to strive for more dynamic, effective and extensive operation of the socialist democratic machinery.
- (2) In working for unity of national races:
 - (aa) to work for further strengthening of the Union spirit and the will to live together in perpetuity;
 - (bb) for all indigenous people to strive with might and main, for peace, tranquillity and development in the country;
 - (cc) to concretise provisions of the Constitution.
- (3) To continue to work for mobilization of the entire people in the defence and security of the State.
- (4) To continue to work for elimination of insurgents and destructive elements by means of the people's abilities and strength.
- (5) To continue to pursue the Independent and Active Foreign Policy Burma is now pursuing.
- (6) To raise the standard of education

in the country in accord with education policies and to work towards making contributions to development of the country.

- (7) To continue to work for extending health services with the co-operation of the people and at the same time to make more effective contributions towards the health and development of the people by means of indigenous medical science and methods.

(B) Economy

In implementing the Fifth Four-Year Economic Plan:

- (1) to mobilize and utilize the people's strength in economic movements in creating a socialist economic system through plans on an extended scale, never losing sight of the objectives of the 20-Year Long-Term Plan;
- (2) to weigh and scrutinize conditions relating to population growth and food production capacity and to take necessary measures in advance;
- (3) to continue to promote exports and, also to take steps to make private services sector earn more foreign exchange;
- (4) to boost production of fuel and energy for production and service sectors in working to considerably boost commodity

- (5) production; to extend formation of State agricultural production organizations, agricultural production co-operatives and other production co-operative societies for increasing the ratio of State and co-operative ownerships;
- (6) to make arrangements to increase investment capacity in industrial sector while making arrangements to make investments to boost production in agriculture, livestock and fishery and forestry sectors through systematically drafted investment plans;
- (7) to systematically assess and work according to situation to meet resources needed for implementing plans in order to ensure greater success of plans;
- (8) to constantly work to minimize wastage, loss and damage in various work sectors;
- (9) to implement regional self-sufficiency and regional development plans region-wise imperatively;
- (10) to systematically draft and implement a manpower plan for full and most effective utilization of the people's abilities and strength;

(C) Organization

- (1) To work to im-

prove the calibre of individual Party members and organizational ability of the Party organizations;

- (2) To strive for greater dynamism of Party leadership by bringing about a common ideological view, common political outlook and common organizational style among Party members and Party cadres;
- (3) To continue to consolidate Party organizations at different levels and render organizational activities more active and dynamic;
- (4) To strive for the all-round development of the entire mass of youths to turn them into good and able persons fully qualified ideologically, politically and organizationally.
- (5) To work to strengthen and broaden mass and class organizations and raise the leadership role;
- (6) To organize for the acceptance of Party leadership by the entire people in the various areas of socialist construction activities.

It is unanimously resolved by this Fifth Party Congress that the programme of future tasks contained in the Political Report of the Central Committee be implemented effectively and successfully as the programme of future tasks of the Burma Socialist Programme Party.

BURMA

GENERAL SECRETARY MEETS WITH REGIONAL COMMITTEES

Rangoon FORWARD in English Sep 85 pp 21-22

[Text]

Burma Socialist Programme Party General Secretary U Aye Ko held discussions with the Chairmen, Secretaries and Committee members of the Party Regional Committees at the meeting hall of the Burma Socialist Programme Party Central Committee Headquarters on 8 August on matters relating to the implementation of the future programmes laid down by the Fifth Party Congress.

The meeting was presided over by Burma Socialist Programme Party General Secretary U Aye Ko and Head of the Organization Department U Nyein Maung acted as master of ceremonies.

The meeting was also attended by Burma Socialist Programme Party Joint General Secretary U Sein Lwin, Central Executive Committee member U Tun Yi, Secretaries U Htwe Han, U Than Hlaing, U Thein Ngwe

and U Win Maung, Heads of Department U Tin Latt, U Soe Myint, U Khin Maung Kyi and U Lu Maw and Commanders of Commands and Divisions.

The General Secretary, in his address, pointed out that the Central Committee, on behalf of the Party Congress, was to shoulder the responsibility of implementing the future programmes and resolutions passed by the Fifth Party Congress.

He said that the Central Committee had to shoulder the responsibilities of the entire Party and the entire country and Party Regional Committees were formed and assigned duties as Central Branches to take up duties on behalf of the Central Committee in the various States and Divisions. He said that that was the reason why the Party Regional Committees were to effectively implement the

future programmes and resolutions passed by the Party Congress in such a way as to suit the special conditions in their respective regions and to achieve success.

Dealing with political affairs, the General Secretary pointed out that the Party Regional Committees were not only to give guidance and lead the People's Councils at different levels in the respective regions for more effective and dynamic operation of the socialist democratic machinery, but also to supervise and guide the services organizations through organizational and management means so that services personnel would turn out to be those who truly serve the interests of the people.

He said that the Party must make efforts to improve the living standard of the people and that the Party must give leadership for the successful implementation

tation of the Economic Plan laid down to raise the living standard of the people.

He explained that for implementing the Economic Plan successfully, the State machinery and the strength of the mass and class organizations must be mobilized. He said that the regional development projects should be implemented within the framework prescribed by the Central and in such a way as to achieve the best results. He stressed the need for organizing the entire mass of the working people to take an active and enthusiastic part in economic undertakings and to make necessary preparations beforehand in their respective regions.

Dealing next with organization affairs, the General Secretary explained that Party Regional Committee office work should be carried out systematically through proper arrangements and supervision in order that the future programmes on organization could be implemented. Organizational work should also be

carried out to raise the qualifications at Party Units and organizations at lower levels in accordance with the socialist democratic practises and the Party Regional Committees were to render supervision so that unity exists within the Party Units, he added.

He then stressed the need for the Party Regional Committees to guide and supervise so that the activities of the youth, Peasants and Workers Asiayones would be carried out systematically in their respective regions while carrying out Party organizational work.

The Joint General Secretary speaking next, dwelt on matters relating to the economic and agricultural activities to be carried out by the Party Regional Committees with firm resolve and through close supervision right down to ward and village-levels by making field trips; producing marine products according to targets and exposing unscrupulous acts and

reporting them; carrying out supervision work in social affairs; making efforts to do away with the earning of funds by selling goods meant for the co-operatives to unauthorized persons; and to make efforts for bringing down the price of goods.

The Joint General Secretary said that the interest of the majority should be taken into consideration rather than individual interests when Party leadership is given; to aim at striving for more effective and dynamic operation of the socialist democratic machinery, especially in economic affairs where care is to be taken to get correct records, data and figures and making field trips to learn the true nature of the prevailing conditions.

The General Secretary, in conclusion, reiterated the need for successful implementation of the Fifth Four-Year Plan in full by making fresh efforts and with renewed strength. The meeting then came to a close at 3 pm.

INDONESIA

AUSTRALIAN AMBASSADOR BRIEFED ON DEVELOPMENT IN IRIAN JAYA

Jakarta ANTARA NEWS BULLETIN in English 4 Sep 85 p A9

[Text] Jayapura, September 4 (ANTARA)--Australian Ambassador to Indonesia Bill Morisson in an 11-day working visit to Irian Jaya province Wednesday paid a call on Irian Jaya Governor Izaak Hindom.

At the meeting, Governor Izaak Hindom elaborated about development activities carried out in the province in the educational, health, social or cultural sectors.

He said in efforts to spur the region's development so as to keep up with other Indonesian regions, the local administration had adopted policies which are linked to the transmigration program.

Through the transmigration program, the economic growth can be accelerated as well as providing employment for the local people through the construction of transmigration facilities.

Apart from that the transmigration settlement units can be turned into development centres that will give various services to neighboring villages.

He said the transmigrants will develop virgin areas into both new settlements and potential farming fields.

For the allocation of transmigrants, local settlers account for 25 percent. "The administration even hopes this amount can be increased, even though other regions obtain only 10 percent," he said.

Meanwhile Ambassador Bill Morisson expressed his pride over development results in the province and said his side is willing to lend a hand if still required.

The ambassador considered appropriate the government's policy to develop the region through the transmigration program which will enhance the transfer of skill between settlers from other regions and those from local areas.

During the visit, Ambassador Bill Morisson was accompanied by Defence Attache Brigadier Murphy, Development Consul P. Galland, Cultural Attache W. Peppinck and Air Attache Captain Henderson.

DSO: 4200/1552

INDONESIA

INTERNATIONAL ORGANIZATIONS URGED TO SAVE POLISH CATHOLICS

Jakarta ANTARA NEWS BULLETIN in English 2 Sep 85 p A3

[Text]

Jakarta, Sept. 2 (ANTARA).- The Indonesian-Polish People's Solidarity Committee (KSRIP) here has appealed to the United Nations, the Non-Aligned Movement Secretariat and the International Labour Organization (ILO) to save the Catholic Church and labours from communist harrasment.

In its cable to the three international organizations on August 31 to mark the anniversary of the legalization of the Polish trade union Solidarity, KSRIP said that the Polish regime has been continuing an aggressive campaign to harrass members of Solidarity and to suppress distribution of trade union's literatures.

The cable, signed by members of the presidum of KSRIP Agus Sudono and Solichin Salam, also said that Catholic priests are under constant opression, while the newly passed laws indicate that more arrests will be coming.

The Polish communist regime, it went on, has also taken action against the Church. In reality, it added, the Polish communist regime has gone back on its word concerning its claims of wanting a national reconciliation.

The KSRIP also sincerely appealed to all Catholics, Protestants, Moslems, Hindus and Buddhists/offer a special prayer to the God Almighty to save the Church, labours and the people of Poland.

(T-Rw/E02/MS).-

/to

CSO: 4200/1551

INDONESIA

ISLAMIC TEACHER JAILED FOR INFLAMATORY LECTURES

BK150450 Jakarta KOMPAS in Indonesian 10 Sep 85 p 5

[Excerpt] Surabaya, KOMPAS--A district court in Surabaya last Saturday jailed Ali Masrum for 12 years minus detention time and ordered to pay 5,000 rupiah for court fees. The verdict was less than what the public prosecutor had demanded--20 years in prison minus detention period.

Ali Masrum, alias Mudhoffar, and Islamic school teacher at Lontar village, Lakarsanteri Subdistrict, Surabaya second level region, had disseminated hostile feelings, disunity, rift, and anxiety among the people with a view to overthrowing, undermining, and attacking the Labpwl authority of the Indonesian Government in the legal jurisdiction area of the Surabaya District Court in 1983, 1984, and 1985. According to the panel of judges, the defendant had implemented the above actions by conducting an upgrading course on the Islamic basis values to high school and university students without prior approval from the authorities. During the upgrading course, there were also discussions on how to establish an Islamic state to replace the lawful state of Indonesia, which is based on the Pancasila ideology. The defendant also distributed an illegal leaflet, entitled: "The Chronological Events on the Massacre of Muslims in Jhakarta on 12 September 1984" as well as replayed the cassette recordings made by Amir Biki and Syarifin Maloko [responsible for the 12 September riots], the contents of which urged Muslims to reject Pancasila as the sole ideology, create intergroup strife, blame the government, and encourage Muslims to launch holy war for the glory of Islam.

A panel of judges, headed by Siringgo Ringgo, and Pieter Purba and Made Tara as members, presided over this subversion-type trial. During the sessions, the defense counsels, Taufikurrahman and Trimulyo protested to the panel of judges over clearing the court chamber when the recordings of Amir Biki were replayed. In response to the protest, the chief judge said that the closed session was done for security reasons because Amir Biki's recorded speeches discredited government officials and are thereby unsuitable for public audience. Other trial sessions were open to the public.

CSO: 4213/327

INDONESIA

BANK ASSET FIGURES REPORTED

Jakarta ANTARA NEWS BULLETIN in English 2 Sep 85 p A7

[Text] Jakarta, September 2 (ANTARA)--The total assets of state-owned commercial banks by December 1984 reached approximately Rp 25,986 billion with profits running at Rp 326.64 billion, according to data at the National Private Commercial Banks Association (PERBANAS) Monday.

The state-owned Bank Negara Indonesia 1946 has the greatest asset amounting to Rp 7,064 billion with a total profit of Rp 92.11 billion. The second rank was secured by Bank Rakyat Indonesia with a total asset of Rp 5,299 billion, trailed by Bank Bumi Daya with a Rp 4,515 billion asset, Bank Dagang Negara with a Rp 4,287 billion asset, Bank Ekspor Import Indonesia Rp 2,602 billion, Bank Pembangunan Indonesia with a Rp 1,237 billion asset, and Bank Tabungan Negara with a Rp 982.30 billion asset.

Funds distributed by state-owned banks to finance economic activities by December 1984 stood at a total of Rp 17.370 billion comprising Rp 3,849 billion by Bank Negara Indonesia 1946, Rp 4,076 billion by Bank Rakyat Indonesia, Rp 3,134 billion by Bank Bumi Daya, Rp 1,151 billion by Bank Dagang Negara, Rp 1,387 billion by Bank Ekspor Import, Rp 93.78 billion by Bank Pembangunan Indonesia, and Rp 737.51 billion by Bank Tabungan Negara.

Meanwhile the total assets of 11 foreign banks in Indonesia by December 1984 stood at Rp 2,253 billion. Citibank ranked first with its asset reaching Rp 578.98 billion, which was followed by Bank of America with a Rp 30.152 billion total asset, Bank of Tokyo with a Rp 272.30 asset, Chase Manhattan Bank with a Rp 272.14 billion asset, and European Asian Bank with a Rp 195.44 asset. Others are Bank Perdania, Amex Bank, Hongkong Shanghai Bank Corporation, Bangkok Bank, Algemeenk Bank Nederland and Chartered Bank.

National Private Commercial Banks

The assets of private national commercial banks in Indonesia by December 1984 reached a total of Rp 4,433 billion. Bank Central Asia had the greatest asset totalling Rp 468.96 billion. It was then followed by Panin Bank with a total asset of Rp 399.77 billion, Bank Duta Ekonomi with a

Rp 392.17 asset, Bank Umum Nasional with a Rp 292.27 billion asset and Bank Niaga with a Rp 276.50 billion asset.

There are at present some 70 national private commercial banks operating in Indonesia which have distributed loans that totalled Rp 3,109 billion by December 1984.

CSO: 4200/1552

INDONESIA

FOREIGN BANKS PERMITTED TO OPERATE OUTSIDE JAKARTA

Jakarta ANTARA NEWS BULLETIN in English 6 Sep 85 p A3

[Text] Jakarta, Sep 5 (ANTARA)--Foreign general banks are as from today exempted from the government's regulation on restricted areas of operation, enabling them to operate not only in Jakarta.

The exemption was laid down in a decision of the Finance Minister, dated September 5, 1985, on the activities of foreign general banks relating to the issuance of working capital credits for exports.

Finance Minister Radius Prawiro said intensified economic activities, non-oil exports in particular, had been one of the bases for lifting the area restriction.

The measure would enable foreign general banks operating in Indonesia to take part in the export financing by their Jakarta-based customers or those in the other areas.

Central Bank Governor Dr Arifin Siregar, meanwhile, said after a cabinet meeting on economic affairs here Wednesday that low-interest (nine per cent per annum) export credits may also be issued to foreign capital investment or joint ventures.

Such credits may be provided by government, national, private and foreign banking corporations on the same terms and conditions as those required from national companies.

The difference lies in the self-financing system, under which 30% is set for foreign investment and joint venture customers and 15% for national companies.

However, foreign investment and joint ventures are still not allowed to obtain investment and working capital credits other than export credits provided by government banks, Arifin Siregar said.

The government measure was issued in an attempt at further boosting non-oil exports and draw foreign investors to operate in Indonesia.

In 1984, foreign investment and joint ventures had exported some 20% of Indonesia's total non-oil and tin exports, he added.

CSO: 4200/1552

INDONESIA

LOW-INTEREST EXPORT CREDITS GRANTED

Jakarta ANTARA NEWS BULLETIN in English 4 Sep 85 pp A10, A 11

[Text] Jakarta, Sep 4 (ANTARA)--Both foreign and joint-venture companies operating in Indonesia may now obtain export credit on low interest from government or private national banks in the country, central bank governor Dr Arifin Siregar announced Wednesday.

The central bank, Bank Indonesia, has decided to give this facility to these companies with the intention of encouraging non-oil/ gas commodity export and further attract foreign investors.

Dr Siregar announced this Wednesday at the end of a regular meeting of economic minister led by President Soeharto at the Bina Graha presidential office.

This new facility had not been granted to the foreign and joint-venture companies in the past. The low interest meant is 9 percent a year.

According to Siregar, in the new policy foreign banks operating in Jakarta are also now allowed to extend low-interest export credits to the foreign and joint-venture companies and to private national companies, both those domiciled in Jakarta and outside Jakarta.

Requirement for the granting of the credits are the same as those now prevailing with Indonesian private national firms except that the self-financing rate is raised from 15 percent to 30 percent of the total export financing for the foreign and joint-venture companies.

"Thus," the central bank governor explained, "the self-financing for national companies is 15 percent while that for the foreign and joint-venture counterpart is 30 percent."

However, the rule will still remain: the foreign and joint-venture companies are not allowed to obtain investment and working capital credits.

He went on to say that Central Bank would prolong the term of liquidity credit to state-owned banking corporations, national general banking and foreign banking corporations in such a manner in order to make the banks

giving export credits to their customers, both national and foreign/joint venture companies, by paying attention to the need of the customers.

He also disclosed that the role of the foreign/joint venture companies in encouraging the export drive of non-oil/gas commodities was very significant.

According to Arifin Siregard, the foreign/joint venture companies exported a total of 20 percent of various non-oil/gas commodities last year.

He said that up to now those who enjoyed export credit with low interest were only the national companies. The banks giving export credits were able to apply low interest due to liquidity credits from the Central Bank, he added.

The low interest export credit recipients were entitled to self financing up to 15 percent of all export cost, he said, adding that it meant the recipients would only receive about 85 percent of their export cost.

CSO: 4200/1552

INDONESIA

TRADE SURPLUS REPORTED

Jakarta ANTARA NEWS BULLETIN in English 5 Sep 85 p A7

[Text] Jakarta, Sep 5 (ANTARA)--Indonesia's June 1985 trade balance shows a surplus of US\$481 million, a spokesman for the Trade Ministry said here Thursday.

Indonesia's June 1985 exports were valued at US\$1,353 million, and imports at US\$872 million, a surplus of US\$481 million.

Indonesia's exports in June 1985 reached US\$1,353 million, consisting of US\$894 million in oil and gas commodities and US\$459 million in non-oil goods.

The imports, estimated at US\$872 million, comprised oil and gas commodities worth US\$24 million and non-oil goods valued at US\$848 million.

Indonesia's trade balance in the first five months (January through May) 1985 had a surplus of US\$3,755 million.

The exports in the first five months of 1985 were estimated at US\$8,107 million, while imports reached US\$4,352 million, a surplus of US\$3,755 million.

Indonesia's exports in the first five months of 1985 reached 8,107 million comprising oil and gas commodities worth US\$4,054 million liquefied natural gas estimated at US\$1,588 million and non-oil goods US\$2,465 million.

The non-oil export commodities mainly comprise timber products, such as plywood, sawn timber, furniture, in addition to rubber, coffee, tea, frozen shrimp, electronic goods and handicraft articles.

Most of these goods went to Japan, United States, EEC, South Korea, Singapore, Hongkong, East Europe and the Middle East.

CSO: 4200/1552

INDONESIA

RAT PEST, EXPANSION OF FOOD CROPS PLANTATION REPORTED

Jakarta ANTARA NEWS BULLETIN in English 2 Sep 85 p A5

[Text]

Jakarta, Sept. 2 (ANTARA).-- Ricefields damaged by rats have reached 22,963 ha this year, showing an increase compared with 18,000 ha last year, Junior Minister for Food Production Ir. Wardoyo told the press after he met with President Soeharto at Bina Graha here Monday.

Some 11,636 ha out of the 22,963 ha of damaged ricefields are found in West Java, 7,016 ha in Central Java and 1,836 ha in East Java, the junior minister explained.

Ir. Wardoyo called on the community to step up eradication of rats not only using poisons or implementing a certain planting system, but also applying traditional methods, which were considered effective.

On the occasion, he reported to the Head of Government the realization of the intensification program on rice fields. He disclosed that the realization of the program covered 2,371,741 ha in the first eight months of this year, an increase of 4% over that in the corresponding period of last year.

The available rice fields all over the country are estimated at around 2.55 million ha at the present time, an increase of about 5% as against those at the end of last year.

Corn and soybean plantations found throughout Indonesia expanded by about 30% from 1,072,000 ha at the end of 1984 to 1,359,000 ha at the end of August this year.

Concerning vegetable plantations, the junior minister pointed out that onion plantations found in Indonesia expanded from 2,837 ha at the end of 1984 to 6,179 ha at present.

Regarding the supply of fertilizer, he disclosed it showed an increase of 6% for TSP, 19% for Za and 28% for KCI, but indicated decline of 2% for urea.

(L-A05/E05/MS).--

CSO: 4200/1551

INDONESIA

BUSINESS NEWS VIEWS PROTECTION FOR INDUSTRIES

Jakarta BUSINESS NEWS in English 4 Sep 85 p 2

[Text]

Deputy Chairman of Kadin Indonesia Probo-sutedjo has ventured to criticize a form of protection given to domestic industries which in fact has for a long time been unpopular among the industrial circles themselves. His criticism is directed at the appointment of one or more companies as importers and sole distributors of certain products or materials needed by some domestic industries, such as steel and plastic materials.

The reason for such protection is not clear. The obvious thing is to restrict the quantities imported so that domestic industries producing the same commodities can enjoy protection.

There are various ways of protecting domestic industries. At present the policy or strategy of industrialisation involving protection is being debated. Prof. Sumitro indicated that on the one hand the government combats the high cost economy so as to boost non-oil/gas exports more effectively, and to come out of the dull situation resulting from the recession. But on the other hand the government also imposes various regulations that reduce competition and increase costs and prices. Protection for domestic industries should be limited and the period be restricted in order to prevent its perpetuation.

The protection granted to the upstream industry has always raised prices of its products, in comparison with import prices. The upstream industry in Indonesia is indeed less efficient than its counterparts in countries where their industries are already more advanced, due to various shortcomings such as the smaller scale, the expensive infrastructural facilities (transportation, cost of energy etc.),

the high cost of capital, etc. As we are still desirous of setting up industries, their existence requires protection.

The commonest form of protection is the imposition of import duty, e.g. 25%. But this will pose burden to the production cost of the downstream industry using upstream industrial products as basic materials. Consequently, this downstream industry is less capable of realising exports because its production cost fails in overseas competition. To help these exports the government provides SE (export certificates), which can compensate for the high cost. Unfortunately, SE will have to be reviewed next year so that industries now still in a position to export with SE may feel a threat to their survival in the coming year.

If the government still imposes quantitative restrictions on imports in addition to the import duty protection, then domestic prices will again go up because of reduced supply from imports at competitive prices. The price hike as a result of tariff and non-tariff protection (quota, controlled trading channels, etc.) can reach 40 – 50%. Such a price hike not only hampers exports considerably, but it also induces domestic market contraction, especially in this period of recession. Under the recession buyers cannot afford to pay prices that increase due to higher costs. If prices are raised, the market will shrink. This can be seen from the textile market, which has been hard hit for quite a long while. Besides the textile industry, automotive, electronic and construction industries are also facing a hard life.

Under the shadow of recession today, anything that can reduce production cost must be given priority, and anything that increases production cost must be avoided.

In the debate concerning the question of protection in industrialisation, the best compromise is to continue granting protection to domestic industries, including the upstream industry, but the principle of a proper level of protection and its gradual reduction must be strictly adhered to.

What can easily be reduced according to schedule is tariff protection. Apart from the import duty protection, it is wise not to apply other methods of a non-tariff nature such as quota, import bans, sole channels etc.

This non-tariff protection also brings losses to the state, because the extra profits due to the reduced supply do not fall into the hands of the government in import duty but instead are pocketed by the parties realising imports. If import goods are supposed to be made more expensive for the sake of protection, just raise their import duty tariffs instead of allowing monopoly to sole distributors. The reason that the profits will be used to form capital for the construction or expansion of the upstream industry is also anti-equity. Why should buyers and the public at large contribute the capital to private (or state) companies? If the government would like to contribute the funds, it should better be done openly through the state budget, so that it can be seen and controlled.

CSO: 4200/1551

INDONESIA

PRODUCTION SHARING CONTRACTS WITH SCEPTRE RESOURCES SIGNED

Jakarta BUSINESS NEWS in English 4 Sep 85 p 5

[Text]

Minister of Mines and Energy Prof. Dr Soebroto signed here recently a production sharing contract for oil exploration/exploitation with Sceptre Resources Bunyu. The contract is the third in oil exploration/exploitation signed by the minister since the beginning of this year.

Soebroto disclosed on the occasion that at least three more production sharing contracts in the oil sector would be signed this year. Preparations for the signing of the contracts are now still underway, he added.

He pointed out that the real price of oil declined at the present time, because oil supply was bigger than the demand. He predicted that the oil price would remain unstable till 1986, and would begin to show stability by 1990.

Sceptre Resources is a Canadian oil contractor company. Besides Minister Soebroto, President Director of Pertamina AR Ramly and GL Fletcher of Sceptre Resources also signed the contract.

The production sharing contract just signed involves an operational area covering 9,445 sq.km. located in the off-shore area of the Bunyu island in East Kalimantan. The contract has obtained approval from President Soeharto.

Stipulations mentioned in the production sharing contract are among others as follows :

- the contractor bears the cost of exploration, investment and production;

- the contractor will receive again the cost of operation it has borne and the production/profit sharing ratio between the Indonesian Government and the contractor will be 85 to 15 for crude oil and 70 to 30 for natural gas.

Other requirements mentioned in the contract are as follows :

- a. the contractor accepts all requirements of production sharing contracts stipulated by the government;
- b. the cost of exploration in the first six months of the realisation of the contract is not smaller than US\$. 63, 750,000;
- c. the information bonus paid by the contractor totals US\$ 5 million, while the production bonus is fixed at :
 - US\$ 3 million when the commercial production has been found;
 - US\$ 5 million when the oil production has reached 10,000 bbl/day;
 - US\$ 10 million when the oil production has reached 30,000 bbl/day;
 - US\$ 15 million when the oil production has reached 50,000 bbl/day;
 - US\$ 40 million when the oil production has reached 100,000 bbl/day;
 - US\$ 40 million when the oil production has reached 150,000 bbl/day;
 - US\$ 10 million when the production of natural gas has reached 250 mncf/day.
- d. the contractor is obligated to pay corporate tax and tax on interest, dividends and royalties directly to the government;
- e. Pertamina has the option of selling for the contractor part of its portion, so that oil sold or received by that state-owned oil company will be no less than 50 percent of the total production;
- f. if the contractor discover oil resources, it will provide 10 percent of its interest for the participation of Indonesian companies appointed by Pertamina.

- g. the contractor is prepared to set aside 28.57 percent of its portion of crude oil to be processed in Indonesia & to set up an oil refinery or a petrochemical project in Indonesia if there is no processing capacity available for the processing of the crude oil portion of no less than 175,000 bbl/day;
- h. the contractor is obligated to provide oil for the domestic supply of fuel oil in Indonesia on the proportional basis at a price of US\$ 0.20 per bbl after the fifth year of the production;
- i. the 9,455 km² operational area will be returned in stages to the Indonesian side, so that not more than 1,900 ha will be left at the end of the sixth year.

CSO: 4200/1551

INDONESIA

FIRST NYLON TIRE CORD PLANT INAUGURATED

Jakarta ANTARA NEWS BULLETIN in English 29 Aug 85 p A2

[Text]

Jakarta, Aug. 29 (ANTARA).- Minister of Industry Hartarto Wednesday inaugurated a nylon tyre cord plant located at Cieureup, Bogor, West Java, the first of its kind in Indonesia.

The plant, PT Branta Mulia was built at a total investment of Rp. 95 billion with an installed capacity of 12,000 tons of nylon tyre cords a year.

According to PT Branta Mulia president director Ibrahim Risjad the capacity is able to meet domestic demand by automotive tyre plants, while the rest is designed for export.

The present domestic requirements for nylon tyre cords ran at more than 9,000 tons a year. Compared with neighboring countries, it is still higher. The nylon tyre cords requirement in Thailand now stood at 4,000 tons, Malaysia 4,000 tons, the Philippines 3,000 tons, New Zealand 1,500 tons and Australia 1,000 tons a year.

Ibrahim Risjad estimated the plant would improve its capacity to 12,000 tons a year by 1990.

Other Asean member countries have so far imported nylon tyre cords from South Korea, Japan, the United States and the European Economic Community (EEC).

Chairman of the Indonesian Tyre Manufacturers Association (APBI) Syahfiri Alim said around 20 percent of the total production cost of automotive tyres is spent on tyre cords.

Touching on the quality, he considered it as not lower than those made overseas because the manufacturing process is in accordance with the international standard through cooperation with the US Good Year.

Deputy Chairman of the Capital Investment Coordinating Board (BKPM) E. Sanyoto Satrowardoyo said the operation of this plant will enable the country to save some US\$10 million a year of its exchange spendings through imports of nylon tyre cords.

Some 80 percent of its production will be destined to meet domestic requirements, and the remaining 20 percent is for exports especially to ASEAN countries which Minister Hartarto considered more attractive particularly by the existence of the ASEAN Preferential Trade Arrangement.

(T-A07/E08/E01/MS).-

CSO: 4200/1551

INDONESIA

NURTANIO TO PRODUCE WIDE-BODIED PLANES

Jakarta ANTARA NEWS BULLETIN in English 1 Sep 85 p A2

[Text]

Seoul, August 31 (ANTARA).- PT. Nurtanio aircraft industry plans to build wide-bodied planes having capacity between 100 and 120 seats in 1990s. Minister for Research and Technology/BPPT director Dr.B.J. Habibie said this in Seoul, adding that many planes of this size will be used in Indonesia in 1990s.

The marketing director of PT.Nurtanio, Paramayudha in a separate occasion said that this type of planes can also be exported to several Asian and Pacific countries and to South American states.

He said that Indonesia's aircraft production, for light and medium class, is able to compete abroad in view of relatively cheap manpower and production costs.

Paramayudha said, Indonesia is expected to produce around 120 planes of this class in 1990.

He also said that the new production of PT.Nurtanio, CN-235 multipurpose plane, has brighter prospect.

He said that PT. Nurtanio has received orders for producing 146 planes of this type both from within and abroad.

These orders will be completed in 1986.

The Indonesian armed forces has ordered 35 planes, Merpati airlines 24 planes, Pelita Air Service 10, Turkey 5 and Thailand 20.

Japan is expected to buy nine CN-235 planes, he added.

(U/ZO2/EO3/Q12)

CSO; 4200/1551

NIIGATA ENGINEERING TO PRODUCE DIESEL ENGINES HERE

Jakarta ANTARA NEWS BULLETIN in English 5 Sep 85 pp A6, A7

[Text] Tokyo, Sep 4 (ANTARA/Kyodo)--Niigata and Tsjisia Co said Wednesday that it will sign a contract next Tuesday to set a firm with a consortium of leading firms specializing in shipbuilding and civil engineering.

A spokesman said the joint venture, called P.T. Niigata Santana Diesel Engine Indonesia Manufacturing, will have authorized capital of 3 million dollars, and be owned 51 percent by P.T. Nugra Santana, and 49 percent by Niigata Engineering.

The joint venture will invest an estimated 10 million dollars in the construction of a plant to produce diesel engine.

Construction is due to start in October for completion next year, with full-scale operations to start in 1987.

CSO: 4200/1552

INDONESIA

VALUE OF LNG EXPORTS UP

Jakarta ANTARA NEWS BULLETIN in English 2 Sep 85 p A4

[Text]

Jakarta, Sept. 2 (ANTARA).- Indonesia's Liquefied Natural Gas (LNG) export value during the first semester of 1985 increased by 15.22 percent compared with the same period in the previous year, data at Bank Indonesia showed Monday.

During the first semester of 1984, Indonesia's LNG export value was recorded as being US\$1,648 million whereas during the same period of 1985 it was recorded at US\$1,899 million, showing an increase of US\$251 million or by 15.22 percent.

The biggest record of the LNG export value during the first semester of 1985 was achieved in January which showed a total of US\$345 million followed by March with a value of US\$338 million in June US\$311 million, in May US\$307 million, in February US\$304 million and in April US\$295 million.

Indonesia's LNG export value during the last five years has been increasing except in 1983 when it underwent a slight decline.

In 1979, the LNG export value was recorded at being US\$1,122 million and in 1981 increased to US\$2,513 million.

In 1982, it reached US\$2,641 million which dropped to US\$2,506 million in 1983 but rose again to US\$3,470 million in 1984. (T.A11/E10/e01/MS).-

CSO: 4200/1551

INDONESIA

UNION OIL WELLS COME ON STREAM

Jakarta ANTARA NEWS BULLETIN in English 6 Sep 85 p A9

[Text] Jakarta, September 6 (ANTARA)--Union Oil Company of Indonesia, a subsidiary of Unical Corporation, Los Angeles, the United States, has begun production of crude oil from a newly completed submarine well in the Attaka Field, offshore East Kalimantan.

Pertamina announced Thursday that the two wells, Attaka J iA and J-3, were producing crude oil at an initial combine rate of 5,400 barrels/day. The oil production is from the Miocene sandstones between the depth of 1,962.5 - 2,347.5 m.

Union Oil Company of Indonesia, as an operator of the Attaka Field, has taken a leading role in the introduction of submarine oil technology to Indonesia.

The contractor company began drilling the first three subsea oil wells in Indonesia in the Attaka Field in early 1982. With the addition of the two new wells, these five wells are still the only subsea production wells in Indonesia.

The Unical's subsidiary company shares 50% of investment in the Attaka Unit, and the remaining 50% is in the hands of Indonesia Petroleum Ltd. (INPEX) from Japan.

Union and INPEX hold their interests in the Attaka Unit under a production sharing contract with the Indonesian state-owned oil company Pertamina.

CSO: 4200/1552

INDONESIA

EAST GERMANY BUYS INDONESIAN RUBBER

Jakarta ANTARA NEWS BULLETIN in English 4 Sep 85 p A7

[Text] Leipzig, September 3 (ANTARA)--An Indonesian firm, PT Djambi Waras, has signed a contract for the sale of 500 tons of crump rubber with an East German firm, Chemie Export Import, with the condition that the quantity could be raised to 2,000 tons for shipments from Indonesian ports during December 1985.

The contract is one of the results of Indonesia's participation at the Autumn Trade Fair in Leipzig from September 1 through 7.

The East German firm had expressed the hope to be able to raise its natural rubber import from Indonesia for 1986 in accordance with the development of its requirement for crump rubber for the motorcar industry in the German Democratic Republic (GDR).

So far the GDR had met its demands for latex and SIR 5 1 from leaders in London and West Germany.

A delegation of Chemie Export Import and technical experts from the tyre factory Pneumant and Fuerstenwalde will visit Indonesia next November to make survey tours of factoties for the processing of crumb rubber, RSS and latex, owned by state plantations.

The delegation will also hold technical talks with the Indonesian rubber research institute on Indonesian rubber quality and testing procedure as well as on demands for crumb rubber (SIR), ribbed smoked sheet (RSS) and latex for the GDR's rubber industry in 1986.

CSO: 4200/1552

INDONESIA

ASEAN FERTILIZER PLANT REPORTS FIRST-YEAR PROFIT

Jakarta ANTARA NEWS BULLETIN in English 6 Sep 85 p A2

[Text] Jakarta, Sep 5 (ANTARA)--In the first year of its commercial production the ASEAN Aceh fertilizer plant in Lhok Seumawe, Aceh, gains a profit of about US\$ 14.05 million.

Out of this US\$ 14.05 million profit, US\$ 9.38 million have been handed over to ASEAN member countries, who are shareholders, in accordance with the percentage of their respective shares, according to information obtained from the ministry of industries here Thursday.

Out of the US\$410 million construction expenses for the first ASEAN fertilizer plant, 70 percent had been derived from Japanese government loans, while the remaining 30 percent was the combined capital from the five ASEAN countries with the following share ration, Indonesia 18 percent, Malaysia 3.9 percent, Thailand 3.9 percent and Singapore 0.3 percent.

In 1984 the real production of the ASEAN fertilizer plant in Aceh reached 548,000 tons or 96 percent of the installed capacity of 570,000 tons of urea fertilizers per year. Out of the real production, 260,000 tons had been allocated to meet domestic demands, 100,000 tons sent to Malaysia and the remaining 188,000 tons to Thailand and the Philippines to meet both countries' demands for urea fertilizers.

In the first six months of 1985, the plant's production stood at 303,000 tons, and it is estimated that at the end of the year it will reach 547,350 tons. Out of this quantity, 271,414 tons will be sent to the other ASEAN countries.

PT ASEAN Aceh Fertilizer plant was commissioned by President Soeharto January 18, 1984 and is the first realized project in the framework of industrial cooperation among ASEAN countries.

CSO: 4200/1552

LAOS

'KA-HAN' DIALOGUE ON ABORTIVE COUP IN THAILAND

BK140458 Vientiane Domestic Service in Lao 0430 GMT 12 Sep 85

[Feature: "Conversation Between Comrades Ka and Han"--recorded]

[Text] [Ka] Han, are you there?

[Han] Is that you, Ka?

[Ka] Yes, it is me.

[Han] Come in. You are so early today.

[Ka] What are you doing? So quiet. I thought you were not home.

[Han] I am reviewing today's news report. There is some interesting news. Why don't you sit down, comrade?

[Ka] Thanks comrade. By the way, comrade, what is the truth about the news of a coup in Thailand? Could you tell me about it?

[Han] All right, comrade. Here is the story: A coup d'etat was staged in Thailand on the morning of 9 September. General Soem Na Nakhon announced the seizure of power in Thailand. But, later, by noon of the same day, there were announcements over Thai radio that the government continued to maintain power throughout the country and that a state of emergency went into effect beginning the afternoon of 9 September. At the same time, an announcement was issued calling on those who had announced themselves to be members of the Revolutionary Party to surrender to government authorities. That is what I have learned, comrade.

[Ka] I see. This means that the coup by Gen Soem Na Nakhon who formed the Revolutionary Party was unsuccessful.

[Han] You are right, comrade.

[Ka] The incident occurred so suddenly and ended so quickly. I wonder why Thailand leads the world in coups. What is the true story behind this coup, comrade?

[Han] Well, comrade, as is known, Thailand is the country where coups have occurred more often than anywhere in the world. Why? Generally speaking, it has resulted from the policy of the ruling circles in Thailand. It is also because of the lack of stability in Thai political circles.

[Ka] I agree with you on this point, comrade.

[Han] Besides, the unjust and unequal practices as well as the disagreement in the ruling circles have directly affected the economic and social life in the country, thus causing an all-round, unsolvable crisis in Thailand at present. These can be clearly seen through the facts that in 1985 the Thai Government's debts increased from 10,805 million baht to 19,000 million baht and that the rate of inflation increased by 10 to 15 percent. At the same time, the rate of unemployment increased to as much as 10.9 percent. This is a dangerous rate for a developing country like Thailand. The situation in Thailand is not tranquil. There are unsolvable crises, such as the unemployment crisis. There is also much crime--robberies, murders, rapes, and so forth. All these are the consequences of the dirty hands of various groups in the Thai ruling circles.

[Ka] I see. Go ahead, comrade.

[Han] From this true situation, the Thai people of all strata, particularly the Thai intellectuals, should clearly understand that the social problems are closely related to the settlement of economic problems and the economic crises follow the political crises. Therefore, it is clear that the current all-round crises in Thailand are the result of the lack of political stability prevailing in Thailand for several decades.

[Ka] I see.

[Han] Therefore, the fact that Radio Thailand announces on the morning of 9 September the seizure of power in Thailand by the Revolutionary Party led by Gen Soem Na Nakhon and that later on the same day the government announced that it continued to hold power, declared a state of emergency, and called on members of the so-called Revolutionary Party to surrender reflects the lack of political stability in this country. This will only further harm the already deteriorating economic and social situation in Thailand, thus directly harming the living conditions of the Thai people, in particular the poor Thai people and those Thai farmers in the northeast.

Nevertheless, based on the true situation in the past, the Thai people might have learned their bitter lesson from their poor life caused by the lack of political stability and by the conflicts and contention for power among various groups in the Thai ruling circles.

[Ka] It is now clear to me, comrade. The coup in Thailand is the result of the lack of political stability in the country and the struggle for power. Is that right, comrade?

[Han] That is right, comrade. That is all I can tell you about the coup, comrade.

[Ka] Well, if so, I would like to say goodbye. I will go tell the truth about the coup in Thailand to my unit. We will meet and discuss issues again.

[Han] Okay, comrade. See you again.

CSO: 4206/186

LAOS

POL POT'S RETIREMENT LIKENED TO DENG XIAOPING

BK070930 Vientiane Domestic Service in Lao 0530 GMT 6 Sep 85

["Talk": "Farce Which Is Completely Copied From That of China"]

[Text] At present, the Chinese big-nation expansionists and hegemonists and the imperialists led by the U.S. imperialists are noisily clamoring and making up stories about the genocidal Pol Pot murderers and other Cambodian reactionary groups aimed at lessening world public denunciation of the barbarous crimes committed by these elements when they were in power in Cambodia between 1975 and 1979 and at drumming up support for the so-called CGDK to illegally retain its UN seat. The imperialists and the international reactionaries advised Pol Pot to resign from his post so as to avoid world public opinion demanding that the Pol Pot clique and its colleagues be eliminated as soon as possible.

With regard to this development, VOA and Beijing radios on the evening of 2 September simultaneously announced that Pol Pot had resigned from the post of supreme commander of the Khmer Rouge army. According to a statement signed by Khieu Samphan, who is called vice president of Cambodia but has lived a beggar life in other countries, Pol Pot was relieved from his post as supreme commander of the Khmer Rouge army as of 24 August.

After the news of Pol Pot's resignation was reported, Thai Foreign Minister Sitthi Sawetsila was the first person who immediately applauded the move. It appears that the decision had already been discussed with him before it was made public.

In connection with this incident, let us look back at the situation in China during the period of the Cultural Revolution between 1966 and 1976, while Mao Zedong was still in power. At that time, the internal rifts within the CPC were extremely ripe. The two rival groups regarded themselves as leftist and rightist factions. The development greatly pleased Deng Xiaoping who earnestly wanted to be called a rightist. After Mao Zedong passed away, the so-called iron man Deng started to implement an open-door policy. Then a reformed Maoist policy without Mao Zedong was implemented, thus ushering in an era of capitalism into China.

To hoodwink the world people that he did not sweep all the power into his arms, Deng gave the party's top position to Hu Yaobang and the administrative power

to Zhao Ziyang. Superficially, Deng does not have any power left while, in fact, he controls everything. Thus, if one compares Pol Pot's act with that of Deng, one can see that it is merely a farce which is a copy of the Chinese type.

It is true that Pol Pot has resigned from the post of supreme commander of the Khmer Rouge. But he has been appointed director of the National Defense Institute to be in charge of conducting research and study on national defense and disseminating lessons derived from it. It can be said that Pol Pot is no longer commander of the Khmer Rouge army; but he commands all activities of the Pol Pot clique and all the reactionary Cambodian reactionaries.

All this shows that Pol Pot's resignation is aimed, on the one hand, at deflecting world public opinion which is increasingly dissatisfied with Pol Pot's presence in the CGDK and, on the other, diverting the world public from calling for complete elimination of the Pol Pot clique. Sihanouk himself also views Pol Pot's resignation as a trick to lessen world public condemnation of Pol Pot. Sihanouk stated on Beijing radio on 3 September that Pol Pot's retirement is another farce because with his retirement or not, Pol Pot still remains head of the Khmer Rouge.

Nevertheless, in the end, Pol Pot and his colleagues will be certainly wiped out.

CSO: 4206/186

LAOS

VIENTIANE ON POL POT RESIGNATION, NATURE OF CGDK

BK111219 Vientiane Domestic Service in Lao 1400 GMT 10 Sep 85

[Unattributed commentary: "True Nature of the CGDK Has Not Changed"]

[Text] As everyone knows, the Khmer Rouge or the Pol Pot remnants--the genocidal murderers--and the other reactionary Cambodian groups, who are the enemies of the Cambodian people, have merged with one another under the disguise of the so-called CGDK with its office in China. Various reactionary Cambodian groups, such as the Sihanouk and Son Sann factions, are assigned to play an active role in the international community for this government while the actual forces behind it are the genocidal murderous Pol Pot clique. This government carries out activities and manipulations by the Chinese big-nation expansionists and hegemonists. Reports about the fighting among the various groups or about the resignations of some figures in the so-called CGDK are common phenomena. The same is true about the report on the resignation of Pol Pot a few days ago. Nevertheless, many people are still wondering whether there are some motives behind the resignation of this chief genocidal criminal.

It is obvious by now that throughout the world only the Chinese big-nation expansionists and hegemonists and the ultrarightist reactionaries in the Thai ruling circles have given support and assistance to the genocidal murderous Pol Pot criminals. The other ASEAN member nations and other countries throughout the world are fed up with the Pol Pot clique. The joint communique of the 11th conference of the foreign ministers of the three Indochinese countries recently held in Phnom Penh has already pointed out this fact.

In the meantime, the PRK is also growing up stronger in all fields. The Cambodian people have scored many miraculous victories in building the new life and defending their country, driving the Pol Pot remnants and the reactionary Cambodian elements from the Cambodian territory. The current reality in Cambodia is irreversible. This fact has been fully acknowledged by all countries throughout the world. The Beijing and Bangkok ruling circles have also realized the truth.

Faced with this development and their defeat in the past dry season, and manipulated by the Beijing reactionary clique, the Khmer Rouge and the other Cambodian reactionary groups recently staged a comedy by holding wedding ceremonies and organizing trading markets and monetary exchanges in the

so-called liberated zone. The aim of this farce was to convince the world that they were not criminals and have not destroyed the monetary and marketing systems. Of course, the entire world people must have ridiculed the publicity of such activities for they know that it is only natural that people must organize wedding parties, carry out shopping in a market, and use money as means of exchanges. Only those persons who have committed mistakes in these matters seek ways to make excuses for themselves by showing to the world things which need not be shown nor explained.

Therefore, the more desperately and extensively they struggle, the more clearly they show their weak points and defeats to the world, including the resignation of chief genocidal murderer Pol Pot. The Chinese reactionaries' instruction to Pol Pot to announce his resignation while the Eighth Conference of the Nonaligned Foreign Ministers was underway in Luanda, Angola, and before the 40th UN General Assembly session opens is aimed at improving the image of the CGDK in order to avoid international opinion demanding that the Pol Pot clique be eliminated and at lessening the discontent of the world people toward their henchmen so that they can continue occupying the Cambodian seat at the United Nations.

However, it appears that the Beijing reactionaries' prediction is wrong. This is because the world people have fully realized what the true nature of the so-called CGDK is like. The CGDK is a mere mask for the genocidal murderous Pol Pot clique. The truth is that it is the Pol Pot vampires who killed more than 3 million Cambodian people in the past.

No matter how the Beijing reactionaries may put new makeup on or change the mask for the CGDK, their comical farce can fool no one as it has been exposed by world public opinion at present. The WASHINGTON POST on 4 September said that Pol Pot's resignation is an act of putting new makeup on the CGDK because everyone knows well that in resigning from his post, Pol Pot is still able to assume a new position from which he can control everything. Political observers in Bangkok assessed that even though he resigned from his position, Pol Pot can still maintain his control on everything. On 7 September BBC said that Pol Pot's resignation has stirred no interest among the world people.

Therefore, it can be said that Pol Pot's resignation has not changed the true nature of the CGDK and is only a tool for the Chinese big-nation expansionists and hegemonists for causing more tension, threatening peace and stability, and obstructing a trend toward negotiation and peaceful settlement of the problems in Southeast Asia.

CSO: 4206/186

LAOS

CONTINUED THAI HOLDING OF BORDER VILLAGERS DENOUNCED

BK071602 Vientiane Domestic Service in Lao 0500 GMT 7 Sep 85

["Talk": "Why Have the Lao Inhabitants of the Three Villages in Paklai District Been Forced To Evacuate to Thailand?"]

[Text] As everyone knows, the Thai troops invaded, attacked and occupied three Lao villages in Paklai District, Sayaboury Province, in mid-1984 at an order of the ultrarightist reactionaries in the Thai ruling circles and under the string-pulling of the big-nation expansionists and hegemonists. Before announcing the withdrawal of their forces from the three villages to positions in various peaks around the three villages, they forcibly herded the Lao inhabitants of the three villages to the Houai Yang concentration camp on Thai territory.

According to those who were later determined to struggle and flee from the camp to their native villages in Paklai District, the Lao inhabitants in Houai Yang, Thailand, have experienced difficulties and privation in their daily life. Moreover, they have been oppressed and their rights have been restricted in a very inhumane manner. This fact has aroused deep indignation among the Lao people of various tribes, and those Lao people of the three villages who have been oppressed and harassed by Thai soldiers in Houai Yang in particular. This can be seen through their daily struggle. Although they have not achieved satisfactory success in carrying out this struggle, their just struggle and demands have not been isolated. They have always been supported by their Lao compatriots as well as by various peace- and justice-loving nations throughout the world.

This is seen in the denunciation by world public opinion of the inhumane acts contrary to international law and practices of the ultrarightist reactionaries in the Thai ruling circles. Only the imperialists, the international reactionaries, and those who pursue pantheism, such as the Siamese, who have forced people of a completely independent and sovereign country to leave their native country to serve as slaves in their country.

All Lao people still remember the unforgiveable crimes of the imperialists and the big-nation expansionists and hegemonists. They also remember the brutal and barbarous acts conducted by the Siamese feudalists against the Lao people during their invasion and domination of Laos between 1778 and 1983.

During that period, after seizing Vientiane, the Siamese feudalists killed, tortured, and forced tens of thousands of Lao people to dig canals and carry out other miscellaneous tasks in Bangkok.

They also plundered all cultural inheritances of Laos, including the priceless Emerald Buddha, and took them to Thailand. In 1827 and 1829 when they again attacked Vientiane on two separate occasions, they suppressed the Lao people's uprisings in the time of Prince Anou. During that time, the Siamese set afire and burned down the capital of the Kingdom of Lan Xang [land of million elephants]. They then forced thousands of Lao families to Bangkok to serve as their slaves.

Therefore, such an act of the Thai reactionaries--forcibly herding the Lao people to the Houai Yang concentration camp, paying no heed to denunciation by the public of various nations in the world or the urgent demand of the Lao people--is all in all a typical act of those in the Bangkok ruling circles who have pursued pantheism under the command of the big-nation expansionists and hegemonists who hope to protractedly intervene, nibble, and annex Lao territory. It is also an act which runs counter to the UN Charter and international practices as observed by various countries throughout the world. Moreover, it runs counter to the principles of peaceful coexistence as stipulated in the Lao-Thai and Thai-Lao joint statements signed between the Government of the LPDR and the Kingdom of Thailand in 1979.

CSO: 4206/186

LAOS

PAST RELATIONS WITH THAILAND REVIEWED

BK191145 Vientiane Domestic Service in Lao 1400 GMT 18 Sep 85

[Report: "The Thai-Lao Relations in the Past 5 Years"]

[Text] The Lao people have maintained a tradition of heroic struggle, overcoming hard and difficult struggles in a spirit of sacrificing lives and blood in the past decades. With the said great spirit of sacrifice, the Lao people sought to gain independence and freedom for their nation. The more the Lao people cherish and nourish their independence and freedom, the more they respect and nourish the independence and freedom of the people of other countries. The Lao people have no other earnest aspiration than to live in peace, friendship, and cooperation with peoples of all countries, in particular with the Thai people with whom they have maintained fraternal relations. The Lao people know well that the Thai people maintain the same aspiration and that the fraternal Thai people, like the Lao people, will also do their best to maintain the fraternal relations between the two countries. The Lao people and the LPDR government have earnestly sought to build and consolidate the fine relations with the Thai people and the Government of the Kingdom of Thailand on the basis of the Thai-Lao and Lao-Thai joint statements of 1979 with a view to safeguarding the just interests and meeting the earnest aspiration and requirements of the peoples of Thailand and Laos.

It is regrettable, however, that in the past 5 years Thai-Lao relations have failed to develop in accordance with the earnest aspirations of the peoples of the two countries. They have been daily affected ever more seriously by the acts of the ultrarightist reactionaries in the Thai ruling circles who have pursued a pan-Thailand doctrine and have served the dark designs of the Chinese big-nation expansionists and hegemonists in collusion with the U.S. imperialists in creating a tense situation, sabotaging the contents and spirit of the 1979 joint statements, and directly threatening peace in Southeast Asia.

As everyone knows, since the governments of the two countries signed the two joint statements in 1979, the reactionaries in the Thai ruling circles have carried out many tricks while resorting to using force to put pressure on the military, economic and political fields on Laos and create disturbances in this country. They have caused Laos to suffer many difficulties in carrying out the task of restoring and building the economy. In the military field, the ultrarightist reactionaries in the Thai ruling circles have continuously

conducted provocative acts and created armed clashes along the border of the two countries and in the Mekong River. They have fired at and attacked various islands in the Mekong River as well as various villages and towns in Laos, violating the sovereignty and encroaching upon the territory of Laos, thus causing great losses in lives and property to the Lao people. Many untoward incidents have caused a tense situation along the 1,650-km long border between the two countries. An example of these were the incidents on 14-15 June 1980 and in January and February 1982. Worthy of note was the incident on 17 January 1983 when they fired with 12.7-mm machineguns at many points in Vientiane capital, including the Lan Xang Hotel where the international Interim Mekong Committee was holding a meeting with the participation of representatives from many countries and many international organizations. There have been other incidents.

The most serious incident was in June 1984 when the ultrarightist reactionaries in the Thai ruling circles, with Athit Kamlang-ek, Thai armed forces supreme commander and army commander in chief as head, mobilized regular troops to attack and occupy three Lao villages in Paklai District, Sayaboury Province. Such acts are a violation of international law and the principles of peaceful coexistence which are internationally practiced. They are also considered arrogant acts of openly challenging the independence, sovereignty and territorial integrity of Laos. Along with this, the Thai reactionaries have gathered a large number of forces along the border and have conducted military exercises to threaten Laos. For example, a military exercise was organized by their special forces in 1983 in which they launched a simulated attack against Vientiane capital. In May 1984, more exercises were conducted in Nong Khai--the province opposite Vientiane--and in Mukadahan, which is situated opposite Savannakhet.

[BK191147] Politically, the ruling Thai reactionaries have joined with China in fostering, educating, training, organizing, and directing the exiled Lao reactionaries and allowing them to use Thai territory as a base for carrying out sabotage and subversive activities against Laos. Following Zhao Ziyang's visit to Bangkok in late January 1981, Thailand and China agreed to step up organizing training for the exiled Lao reactionaries in various camps in China's Yunnan Province in opposition to the LPDR. The training was intensified late the following year.

In July 1982, Thailand let the Phoumi Nosavan group set up the so-called national liberation alliance government. Simultaneously, Thailand and certain ASEAN countries colluded with China in founding the so-called tripartite coalition government of the Cambodian reactionaries. At the time, the Lao reactionaries left their positions in Thai territory and infiltrated into Laos to plunder and create disturbances to sabotage and destroy the peaceful life and nationbuilding of the Lao people.

In the economic field, over the past 5 years, the ruling Thai reactionaries have also imposed economic pressures, blockades, and monopoly against Laos with the hope of weakening the LPDR and compelling it to be dependent on Thailand as they did 5 years ago or since the establishment of the LPDR.

These acts are in violation of article 3 of the 1958 Geneva Treaty on the use of international seas and of article 125 of the 1982 Treaty on Maritime Laws. These facts have been clearly proved through concrete incidents in each period. On 14 June 1980, the ruling Thai reactionaries created armed clashes along the Mekong River, and later, on 15 June 1980, they announced the closure of a number of border checkpoints. On 3 July of the same year, they announced the closure of the whole border. They then conducted disturbances by plundering Lao passenger boats--killing owners of the boats and seizing their property--traveling along the Mekong River.

In February 1981, the ruling Thai reactionaries created armed clashes on Don Sangkhi Island and used that incident as a pretext for the closure of three border checkpoints on 8 February 1981. They reopened these three checkpoints in August of the same year. Along with closing and opening the border at will, the ruling Thai reactionaries have unilaterally put forth restrictions on the types of goods in transit. They have banned the transportation of more than 270 types of strategic goods. Moreover, they have even held goods sent to Laos through Thailand by other countries. According to a Bangkok press report on 4 January 1985, in the past few years Thailand has held goods dispatched as aid to Laos by various countries, including the Soviet Union, Hungary, Japan, and various East European countries, claiming that they are strategic goods. Taking advantage of the closing and opening of the border, the ruling Thai reactionaries have allowed illicit traders to carry out activities creating disturbances in markets and sabotaging the currency of Laos. More serious still, they have even printed counterfeit banknotes and sent them to Laos to sabotage economic establishments. This is part of the all-round sabotage and subversive schemes carried out by the ultrarightist reactionaries in the Thai ruling circles against the LPDR in recent years. They continue to carry out these schemes to sabotage and obstruct the Lao revolution. By so doing, they have directly sabotaged and betrayed the interests of the Thai people, and worsened ever more seriously the already affected Thai-Lao relations.

In light of the said situation, the local authorities of the two countries have had no right to solve problems and improve Thai-Lao relations. Therefore, it is urgently necessary for the governments of the two countries to organize negotiations between government-level delegations of the two countries in order to quickly resolve the problem of Thai-Lao relations and to return the relations to normal. According to international practice, this is the only correct way to maintain, promote, and expand the fraternal relations between the peoples of Thailand and Laos in conformity with the earnest aspiration of the two peoples and in the spirit of the Thai-Lao and Lao-Thai joint statements of 1979. As for talks at the local level, they can be held only on the basis of decisions reached between the two sides as a result of talks at the government level.

CSO: 4206/186

LAOS

PASASON ON PEOPLE'S DUTY TO DEFEND COUNTRY

BK161515 Vientiane Domestic Service in Lao 1200 GMT 15 Sep 85

[PASASON 16 September editorial: "Defending the Country Is the Duty of the Entire People"]

[Text] The duty to defend the country rests with the entire party, army and people. Under the leadership of the party, the right to collective mastery of the people of all tribes must be further enhanced. Efforts must be made to encourage movements to maintain peace and security among the people in close coordination with the armed forces. This is one of the decisive factors in scoring victories for the struggle against the multifaceted destructive war of the enemies and the struggle between the socialist and capitalist lines to decide which side is emerging the winner.

Our country, together with Vietnam and the PRK, acts as an outpost of socialism in Southeast Asia. As a result, provocative and destructive acts can be committed against us by the enemies at all times, in various forms and disguises, from several directions, and through several designs in the economic, political, ideological, cultural, military and diplomatic fields. The fundamental long-term policy of the Beijing big-nation expansionists-hegemonists, in collusion with the U.S. imperialists and other reactionary forces, is to weaken our country and gradually to swallow it in the end. Their counterrevolutionary strategy remains unchanged. Their schemes of opposing the Lao revolution and people of all tribes are becoming more deceitful, barbarous and cruel. In the past, they have threatened our country with their military forces and have sabotaged and destroyed our economy along our northern border areas. They have constantly smuggled a number of exiled Lao reactionary forces to carry out activities to disturb peace among our people along the Lao-Thai border. Especially in June 1984, they coordinated with the Thai ultrarightist reactionary clique to send the Thai Armed Forces to encroach on Lao sovereignty by nibbling at Ban Mai, Ban Kang, and Ban Savang Villages in Paklai District, Sayaboury Province. To date, they have refused to withdraw from the area under Lao sovereignty and to return a number of inhabitants from the three villages, whom they forced to evacuate to Thailand. At the same time, the Chinese big-nation expansionists-hegemonists and the U.S. imperialists have not yet ceased activities to destroy our economy and culture, create rifts among the people of all tribes, and instigate unrest among our people of all strata. They have stepped up psychological warfare against our

country aimed at creating disunity among our cadres, combatants, state employees, workers, and people of all tribes and encouraging them to lose faith in the party and to doubt the policy of our party and state.

In face of this development, it is now more important than ever that we not lower our guard. We must always heighten vigilance and stand ready to gradually smash their schemes in the political, economic, military, and psychological warfare fields to maintain internal security, firmly safeguard the national and popular interests, and defend our national sovereignty.

This is the year in which the Lao people of all tribes are planning to celebrate the 10th anniversary of our national day, fulfilling the implementation of the First 5-Year State Plan, and preparing to implement the Second 5-Year State Plan and to convene the Fourth Party Congress. It is certain that the enemies must be stepping up efforts to undermine and destroy our country in a more destructive manner.

To heighten vigilance to smash all schemes of the enemies, we must appreciate the directive of the party Central Committee, which says: The entire people must unite to defend the country. This means that defending the country is the duty of the entire masses, not of the soldiers and police alone. Therefore, it is imperative that the local administrations at all levels, particularly in the border localities and districts, which have become targets for destruction by the enemies, organize and mobilize movements among the people to defend the country and to maintain public security in a more profound and extensive manner and in constant coordination and cooperation with the armed forces. At the same time, efforts must be stepped up to provide political and ideological education and training to state cadres and people of all tribes so that they will come to appreciate more profoundly the policy and lines of the party and the law of the state and to be able to distinguish friends from foes. Special attention must be paid to promptly countering the psychological warfare tactics of the enemies, such as propaganda tactics to create rifts between the higher and lower levels, between cadres and people, and among the people of all tribes and to destroy the solidarity between Laos and friendly countries.

Once our people come to know, understand, and see the danger of the dark schemes of the enemies and their policy to oppose the revolution in our country, enormous strength will be created to augment the might of our armed forces to smash the dark schemes of the enemies, thus securely defending our country and facilitating the task of building our socialist country.

CSO: 4206/186

LAOS

VIENTIANE RADIO CARRIES FEATURE ON BOKEO PROVINCE

BK210526 Vientiane Domestic Service in Lao 0500 GMT 19 Sep 85

[Feature: "Bokeo--A Northern Province"]

[Excerpts] Bokeo is a northernmost outpost province of Laos that shares an estimated 187-km common border with Thailand and Burma. Its inhabitants have a tradition of heroic fighting and diligence in carrying out work. Under the leadership of the LPRP, the Lao people of all tribes in Bokeo Province have closely united to build economic foundations and a new life, thereby gradually improving their living conditions.

Bokeo is a small province comprising three districts--Houai Sai, Ton Pheung, and Muang Meung--with 20 cantons under their jurisdiction. The total number of villages in the province is 268. Its population is composed of the three main Lao tribes--Lao Loum, Lao Theung and Lao Soung--and an estimated 15 percent of other ethnic minority tribes, such as Mu Ser, (Kui), (Lamet), Mong, (Kwen), and (Sam Dao), scattered throughout many localities.

The province has an estimated arable acreage of 7,740 hectares of land for crop cultivation. The inhabitants of the province are gradually abandoning private, unorganized production and switching to collectives by setting up agricultural cooperatives--40 of which were in operation by the end of 1984, producing on 1,594 hectares of land. The people in this province have cooperated with the provincial administration to repair and build 344 small irrigation canals.

The mining of gems in this province is very famous because gems from mines in Bokeo Province are of good quality, can bring high prices, and are in great demand.

Livestock raising has also been extensively carried out in this province. There are now more than 10,000 water buffalos, more than 8,000 oxen, and a large number of other domestic animals.

Public health networks in the province have been expanded to serve the people of all tribes. Beliefs in superstition are gradually disappearing. There is one hospital in each district, and one health station in each canton. The work to set up a medicine cabinet for each village is also underway.

Though facing numerous complicated problems because the Beijing big-nation expansionists and hegemonists and the ultrarightist reactionaries in the Thai ruling circles have actively waged propaganda campaigns to slander our party's line and policies and have tried to create rifts with a view to creating unrest among the people, with the spirit of patriotism and the love of the new life the people of all tribes in the province have managed to successfully solve certain economic problems. Nowadays, songs in many tribal dialects, such as Lu, (Teum), and Mong, have been heard everywhere in the province, indicating that the people in this province are happily building their new life to welcome the forthcoming 10th anniversary of the founding of their country.

CSO: 4206/186

LAOS

PHOUMI VONGVICHIT ATTENDS VICTORY PHOTO EXHIBIT

BK050938 Vientiane Domestic Service in Lao 1400 GMT 4 Sep 85

[Text] On the afternoon of 4 September, the National Committee for the Celebration of the 40th Anniversary of Victory Over Hitlerite Fascism and Japanese Militarism opened a photo exhibition at the office of the Lao-Soviet Friendship Association in Vientiane to commemorate the occasion. Attending the opening ceremony of the exhibition were Phoumi Vongvichit, member of the LPRP Central Committee Political Bureau, vice chairman of the Council of Ministers, and chairman of the national committee for the celebration of the occasion, along with many members or alternate members of the party Central Committee, ministers or deputy ministers, and distinguished guests. (Vladimir Hussak), charge d'affaires ad interim of the Soviet Embassy, together with diplomats of various countries to Laos, also attended the opening ceremony on this occasion.

In the ceremony, Thongsavat Yamani, vice chairman of the state committee for news agency, newspaper, radio and television and member of the national committee for the celebration of the occasion, and Charge d'Affaires (Vladimir Hussak) exchanged speeches. They pointed out the roles of the heroic Soviet Red Army under the CPSU's clear-sighted leadership in their resolute determination to defeat the Hitlerite fascists and the Japanese militarists during World War II. They described the Soviet combatants and people as heroic combatants and people who experienced great sacrifices in their materials and property to wipe out the strong and stubborn enemies to save mankind from the disasters of Hitlerite fascism and Japanese militarism. Thongsavat Yamani noted: The earnest aspiration of mankind in the present is to maintain peace and enjoy plentiful and prosperous life. Through the lessons learned from World War II, we must adhere to an ideal of opposing the bellicosity and eliminating the cause of war.

(Vladimir Hussak) said: The Soviet Union has highly appreciated the firm contribution made by the LDPR, together with the SRV and the PRK, to the task of safeguarding peace and stability in Southeast Asia and the world, and is convinced that following this photo exhibition, the relations in all respects and the fraternal friendship between the Soviet Union and the LPDR will be further strengthened and developed. The photos shown in the exhibition reflect the heavy roles and responsibility of the Soviet Red Army in defeating the Japanese Army. They also show the struggle of various nations for peace in opposition to a war in the world.

CSO: 4206/186

LAOS

BRIEFS

VONGVICHIT RECEIVES SRV FRIENDSHIP GROUP--On the afternoon of 11 September, Phoumi Vongvichit, member of the LPRP Central Committee Political Bureau and vice chairman of the LPDR Council of Ministers, received, at his residence, a courtesy call from a delegation of the Vietnam-Laos Friendship Association led by Nong Quoc Chan, deputy minister of culture and vice chairman of the Vietnam-Laos Friendship Association. (Tong Tran Duc), first secretary to the SRV ambassador in Laos, also accompanied the delegation in paying a courtesy call on Phoumi Vongvichit on this occasion. Phoumi Vongvichit expressed thanks to the delegation for its visit to Laos, and hailed the success of the visit. The vice chairman of the Council of Ministers also reiterated the Laos-Vietnam and Laos-Vietnam-Cambodia special solidarity and friendship and all-round cooperation, which have been strengthened daily and which cannot be disrupted by any enemy. The talks between the guests and the host continued in an atmosphere of close friendship throughout. [Text] [Vientiane Domestic Service in Lao 1400 GMT 11 Sep 85]

MESSAGE FROM MALAYSIA--[16 September message of thanks from Malaysian Prime Minister Dr Mahathir Bin Mohamed to Chairman of LPDR Council of Ministers Kaysone Phomvihane]--I would like to thank your excellency for your greetings message that you have sent to us on the occasion of Malaysian National Day, 31 August. I would like to take this occasion to express hope that the relations which have been promoted and expanded in the past between our two countries will continue to be strengthened every year. I ask your excellency to accept our best wishes of success and happiness to your excellency and through your excellency, to the government and people of Malaysia. [Text] [Vientiane Domestic Service in Lao 1400 GMT 18 Sep 85]

DANISH DELEGATION DEPARTS--The delegation of the Communist Party of Denmark [CPD], led by Comrade Bernard Jeune, Politburo member of the CPD Central Committee, left Vientiane for home on the afternoon of 14 September after ending a 3-day official friendship visit to the LPDR. Comrade Phoumi Vongvichit, member of the LPRP Central Committee Political Bureau; Comrade Khamphai Boupha, member of the party Central Committee and vice chairman of the Foreign Relations Committee of the party Central Committee; Comrade Phao Phimpachan, deputy director of the party Central Committee office; and a number of high-ranking cadres concerned were on hand at Wattai Airport to see the delegation off. [Text] [Vientiane Domestic Service in Lao 1200 GMT 15 Sep 85]

FLOOD DAMAGE IN OUDOMSAI--Due to heavy rain from the night of 27 to the afternoon of 28 August, the water levels in the Mao, Ko and (Hian) Rivers rose rapidly and inundated the provincial municipal area and Muang Sai and Pak Beng Districts, Oudomsai Province, in northern Laos. The floods caused heavy losses to the lives and property, including dwelling houses and rice fields, of the people in these localities. Several hundred dwellings were swept away in the torrential currents, several hectares of rice fields damaged, and the road from Muang Sai to Pak Beng cut in many places. Reports said that after the floods had receded, the provincial party and administrative committees set up a committee to be in charge of solving problems caused by the disaster in a timely manner. Soldiers, policemen, and local people in the province, with support and assistance from nearby provinces, are currently striving to return the people's living conditions to normal and are trying to restore crops damaged by the floods, including replanting them in a timely manner. [Text]
[Vientiane Domestic Service in Lao 1400 GMT 21 Sep 85]

CSO: 4206/186

MALAYSIA

VOPM ON ESTABLISHMENT OF NEW POLITICAL PARTY

BK111304 (Clandestine) Voice of the People of Malaysia in Malay 1230 GMT 10 Sep 85

["Domestic Event"]

[Text] A new political party is being established and will be led by Ahmad Noor, the president of the Congress of Union Employees in Public and Civil Service. Ahmad Noor, 43, is an active trade union member and well known among the Malay community.

A spokesman of the new party disclosed that it will reflect the diversity of various communities and make mutual respect and unity among the communities its basic principle. As for the motive for establishing the new party, the spokesman said that [words indistinct] are dissatisfied with the Barisan Nasional dictatorship. Such a situation necessitates the establishment of a multiracial political party that will enable people to choose a political party capable of competing with the Barisan Nasional instead of forever voting for the Barisan Nasional.

The spokesman also disclosed that the new party will have 16 main objectives, such as promoting and exercising human rights, creating fair opportunities for everybody; fighting for reasonable welfare services for workers; narrowing the gap between the rich and the poor; and promoting the spirit of national unity, self-respect, and self-sufficiency.

The spokesman said that the multiracial policy line of the new party will be similar to that of the Sabah United Party, but the membership of the new party will consist mainly of Malays. Chinese, Indians, and members of other communities. He said that in view of the fact that Malays are the majority in our country, they will certainly dominate the membership of the new party, followed by the Chinese, Indian, and other communities.

According to the new party's preliminary program, during the next general election it will field Malay candidates at all election constituencies throughout the country--both at the federal parliamentary and state assembly levels--with a majority of Malay voters. Chinese and Indian candidates will be fielded in constituencies Chinese and Indian majorities. The party also aims at establishing a Malaysian state belonging to the Malaysian people.

Therefore, the party has chosen a multiracial policy to win as much support as possible from the various communities in our country.

A 9-member organizing committee of the new party, headed by Ahmad Noor, has been formed. This Central Committee is now busy selecting new party members. According to the spokesman, many people have expressed their willingness to join the new party as soon as it is registered with the authorities. The prospective party members include United Malays National Organization members, veteran politicians, college professors, lawyers, civil servants, and others.

CSO: 4213/328

MALAYSIA

GENERAL 'NOT AWARE' OF SRV SPIES AMONG REFUGEES

BK091445 Kuala Lumpur NEW SUNDAY TIMES in English 8 Sep 85 p 1

[By Sabry Sharif]

[Text] Kuala Lumpur, Sat--Armed Forces Chief Gen Tan Chazali Mohamed Seth said today he was not aware of any report of Vietnam sending out spies disguised as refugees to gather intelligence information in countries of first asylum like Malaysia and Thailand.

The special task force in the Prime Minister's Department, set up to monitor the landings by Vietnamese boat people in Malaysian territorial waters and coasts, had not reported such findings, he said.

"Since the influx of refugee boat people in the late 70's and to date, I have yet to see reports by the Task Force VII [Roman Seven] of spies among these refugees," he added.

"The Task Force VII in the Prime Minister's Department under the command of one of my officers, Maj Gen Datuk Daud Abu Bakar, undertakes a thorough investigation of the background of the Vietnamese boat people to ensure such things do not happen," he said.

It is understood that Vietnamese boat people especially those with military connections are vetted by the various Malaysian intelligence agencies before they are sent to the refugee holding center in Pulau Bidong, off the east coast of Peninsular Malaysia.

He was commenting on a BERNAMA report, quoting Thai National Security Council chief, Squadron Leader Prasong Sunsiri, as saying that Vietnam had agents among the refugees seeking first asylum in countries like Malaysia and Thailand.

He claimed these agents were told to gather intelligence information on the countries in which they are seeking temporary asylum.

He added that these spies would apply for permission to return home after completing their mission.

The Armed Forces chief said it would be difficult for the agents to gather intelligence, considering they did not have free movement within the country.

"In fact, I am surprised over this report from Bangkok," he said.

According to the Armed Forces' Department of Military intelligence, the Vietnamese need not plant spies among the refugees to get information about countries like Malaysia or Thailand.

"Why should they waste so many man hours when a high-altitude Soviet reconnaissance aircraft can achieve the same objective without difficulty?" asked a senior military officer who declined to be named.

"And what information of value to Vietnam can they get when they, if they are indeed spies, are under strict surveillance in the Pulau Bidong refugee holding center until their resettlement in countries like the United States?"

He agreed that this possibility was considered when the first wave of Vietnamese boat people stormed the coasts of Thailand and Malaysia in the late 70's.

CSO: 4200/1544

MALAYSIA

PATROLS INCREASE TO ENFORCE ECONOMIC ZONE

BK091607 Kuala Lumpur NEW STRAITS TIMES in English 7 Sep 85 p 9

[Text] Kota Baru, Fri--The marine police, navy, police air wing and the Fisheries Department had stepped up patrolling of Malaysian waters including the Exclusive Economic Zone (EEZ) in the last few days.

Reliable sources said today that this was after local fishermen had reported seeing many foreign fishing boats encroaching in Malaysian waters off Tumpat and Kedai Buluh in the last 2 weeks.

One of the sources said the patrolling was intensified following the statement by Agriculture Minister Anwar Ibrahim on Wednesday that the government would take stern action against foreign fishermen encroaching in Malaysian waters.

The source added that the government's intention was to show the foreign intruders that it meant business.

Fishermen in the Tumpat area said they had seen several marine police patrol boats off the coast during the past 2 days.

They also said they had seen fewer foreign fishing boats in the last 2 days and attributed this to the intensified patrolling.

Tumpat Fisherman Association Chairman Hassan Omar confirmed that fishermen had reported seeing fewer foreign fishing boats.

After a meeting with the Thai Agriculture and Co-operative Minister Narong Wongwan, Encik Anwar said that encroachment was a serious matter and the government was duty-bound to protect local fishermen by enforcing the Fisheries Act.

He also said that 26 cases involving foreign trawlers and fishermen had been dealt with the government since beginning of this year.

CSO: 4200/1544

MALAYSIA

OPENING TO AFGHAN MUJAHIDIN OFFICE HAILED

BK121339 Kuala Lumpur International Service in English 0800 GMT 12 Sep 85

[Unattributed commentary]

[Text] Malaysia's support for the Afghan freedom fighters was striving through thick and thin to oust Russian invaders from their homeland is an important element of its foreign policy. [sentence as heard] This aspect was manifested beyond all doubts when the regional headquarters of the Afghan Mujahidin movement was officially opened in Kuala Lumpur--the Malaysian capital--early this week. The Malaysian foreign minister, Tengku Ahmad Rithauddeen, sums up the spirit of the occasion by stressing that bigger powers should not violate the sovereignty and deny self-determination to the small nations. But there is profound admiration for its stubborn resistance that the Afghan nationalists are putting up against the brutal Soviet occupation.

It is remarkable that without having modern arms the Mujahidin have managed to pin down an estimated 230,000 Russian troops in Afghanistan. This will surely go down in history as one of the most outstanding displays of nationalism and loyalty to one's country. What the world, and more particularly the small nations should not forget, is that the Afghan freedom fighters are bearing the brunt of the sacrifice and dedication that is called for in having to teach the Russian aggressors a good lesson. Should the Soviet Union succeed in imposing its will on Afghanistan with the aid of acquiescence of the puppet regime of Babrak Karmal, no small nation will ever feel safe and secure.

What is happening in Afghanistan today will remind many people of the long, drawn out civil war in Spain in the 1930's. The world stood by while the fascist dictators intervened and established an equally fascist regime in the country. That development only helped to encourage more aggression and scant respect for the territorial integrity and sovereignty of the smaller nations of Europe. Nor should the world lose sight of the fact that no less than 3 million Afghan refugees have fled to neighboring Islamic countries like Pakistan and Iran. The tragedy is that the world loses interest in these matters after the passage of a few months, but the suffering victims of Soviet aggression does [as heard] not disappear simply because the world's media focuses attention on other events.

Malaysia is happy to provide the Mujahidin with a regional office. This is the first one of its kind anywhere in the world, and it also denotes the according of diplomatic status. There are ample precedents in the international law for the setting up of governments in exile. Malaysia's support for the Afghan freedom fighters has never been restricted to moral support, although that too is important for the brave people of Afghanistan. Malaysia has always been providing humanitarian aid. The sufferings of the Afghans have struck a responsive chord in the entire Malaysian community, and with the opening of the Mujahidin regional office, there will be even greater understanding and appreciation of the Afghan struggle.

The Malaysian prime minister, Dr Mahathir Mohamed, has offered more places of study in Malaysia for Afghan refugee students. Fifteen Afghan students are now pursuing courses at the international Islamic University in Kuala Lumpur. Malaysia will continue to do whatever it can to help the Afghan people in their difficult situation.

CSO: 4200/1544

MALAYSIA

SOVIET EMBASSY REJECTS YOUTH PROTEST ON AFGHANISTAN

BK131543 Kuala Lumpur NEW STRAITS TIMES in English 12 Sep 85 p 5

[Text] Kuala Lumpur, Wed--A delegation of Umno youth members and university students, in a show of support for the Afghan Mujahidin whose leader Gulbuddin Hekmatyar is here on a visit, went to the Soviet Embassy in Jalan Ampang today to deliver a protest letter on the Soviet invasion of Afghanistan.

Embassy Second Secretary S.N. Gontcharenko, who spoke to the delegation leaders from behind the embassy gate, refused to accept the note, saying that any letter addressed to the ambassador must be sent through the Foreign Ministry.

Encik Mustaffa Kamil Ayub, representing students' unions of all Malaysian universities, was to have handed over the letter.

In a statement later, Encik Mustaffa Kamil Ayub, representing students' unions of all Malaysian universities, was to have handed over the letter.

In a statement later, Encik Mustaffa, who is president of the University Kebangsaan Malaysia Students' Union, said the letter recorded a protest against the Soviet Union's invasion and subsequent occupation of Afghanistan.

He said the current situation in Afghanistan revealed the true nature of the imperialistic policy of the Soviet Government.

He said the students condemned the policy and demanded an immediate withdrawal of Soviet troops from Afghan soil.

He also said Malaysian students pledged full support for the mujahids of Afghanistan.

On hand to lend support were Umno youth secretary to Agriculture Minister Anwar Ibrahim.

In a statement, Encik Zainal Abidin said the peaceful gathering outside the embassy was a joint effort by Umno youth, the Umno Youth International Bureau and students' unions of local universities.

He said Umno youth took a serious view of the continued Soviet occupation of Afghanistan and would continue having such gatherings until the Soviets left that country.

Pamphlets condemning the Soviet intervention in Afghanistan were distributed to passing motorists outside the embassy.

The crowd outside the embassy swelled to about 100 before it dispersed after Mr Gontcharenko spoke to the delegation leaders.

CSO: 4200/1544

MALAYSIA

BRIEFS

THAI COUP ATTEMPT--Malaysia is relieved that a worrying situation in Bangkok following an attempted coup last Monday is over. The deputy minister of foreign affairs, Encik Abdul Kadir Sheikh Fadzir, said whatever happens in Thailand should concern Malaysia. But, we have to be careful not to interfere in that country's internal affairs. Encik Abdul Kadir was speaking to reporters after chairing an informal meeting between the president of the Alliance of Afghan Mujahidin, Dr Gulbuddin Hekmatyar, and leaders of Malaysia's student movement in Kuala Lumpur this morning. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 11 Sep 85 BK]

LEADERS CONGRATULATE BULGARIAN COUNTERPARTS--Their majesties the king and queen have sent a congratulatory message to President Todor Zhivkov of Bulgaria on the occasion of the country's national day. The prime minister, Datuk Sri Dr Mahathir Mohamed, sent a similar message to the chairman of the Council of Ministers, Mr Grisha Filipov. The foreign affairs minister, Tengku Ahmad Rithauddeen, conveyed his greetings to his counterpart, Mr Petur Mladenov. [Text] [Kuala Lumpur International Service in English 0600 GMT 9 Sep 85 BK]

MALDIVIAN PRESIDENT VISIT--The president of the Republic of Maldives, Mr Maumoon Abdul Gayoom, is now in Kuala Lumpur for a 4-day visit to Malaysia. He and his wife, Mrs (Nasrina), were welcomed by Datuk Sri Dr Mahathir and Datuk Sri Datin Paduka Dr Siti Hasmah at Kuala Lumpur International Airport this evening. Also present at the airport was Foreign Minister Tengku Ahmad Rithauddeen. President Maumoon will deliver a speech at an international seminar on Islamic legislation to be held at the Islamic Center on Tuesday. Tomorrow, he will attend an inauguration ceremony of the Malaysian Islamic Center by the prime minister in the nation's capital. [Text] [Kuala Lumpur Domestic Service in Malay 1230 GMT 15 Sep 85 BK]

CSO: 4213/328

NEW ZEALAND

WELLINGTON APPOINTS HIGH COMMISSIONER TO UK

HK100839 Wellington THE EVENING POST in English 7 Sep 85 p 11

[By Post Reporter Robin Charteris in London]

[Text] New Zealand's new high commissioner in London, Mr Bryce Harland, will find a relieved staff ready to welcome him to New Zealand House when he takes over, probably in mid-October.

His appointment has pleased staff there for two reasons: One is that a replacement for the late Mr Joe Walding has at last been named: the other is that a career diplomat has been appointed at a time when the high commission's administrative resources are in need of consolidation.

It has been 3 months since Mr Walding died suddenly in office and the delay in naming a successor has been frustrating.

Uncertainty has existed over staff positions in New Zealand's biggest overseas post as well. Overhaul and review procedures have been going on for some time and the total staff now numbers just 170, just over half the number of 10 years ago. Most of the staff cuts have been made in the past 3 or 4 years.

A small number of seconded staff at the High Commission have still to be replaced over the next few months, including the public affairs IRS officer, Mr Brian Lockstone, who leaves early in October. A replacement has not yet been announced.

The present acting high commissioner, Mr Bruce Brown, relinquishes his post as deputy high commissioner next week. Until Mr Harland arrives, probably in mid-October, Mr Brown's replacement, Mr Neil Walter, will be acting high commissioner. Mr Walter took up his new posting in June.

A High Commission spokesman said this morning that the bulk of the staff review processes now seemed to be over and the staff looked forward to consolidation. They were confident Mr Harland's appointment would bring a clearer sense of direction and purpose to the operations of the High Commission, the spokesman added.

While Mr Harland has not served in London before during his career with the New Zealand Foreign Affairs Department, he is one of the country's most experienced diplomats.

At present, Mr Harland is New Zealand's permanent representative at the United Nations in New York.

CSO: 4200/1528

NEW ZEALAND

LABOR PARTY CONFERENCE DEBATES ANZUS

HK100551 Wellington THE EVENING POST in English 2 Sep 85 p 4

[By POST political reporter Brian Woodley in Christ Church]

[Text] A demand for New Zealand to withdraw from the ANZUS Treaty, strong re-affirmation of the anti-nuclear policy, and pleas for direct assistance to the native peoples of Nicaragua and East Timor were the highlights of the Labour Party conference's debate on foreign policies.

The prime minister, and minister of foreign affairs, Mr Lange, and the Minister of Defence and Deputy Minister of Foreign Affairs, Mr O'Flynn, sat satorically at the table, shaking their heads and mouthing "no, no" as remit after remit was strongly endorsed.

Although many of the remits had wordings similar to those passed last year, there was a little passion this time, and the conference actually reversed a few of its militant 1984 decisions.

None of those remits that are at odds with current government policy with change government thinking. They will either be killed when they come to be scrutinised by the party's policy council or, if they make it through that system, will be buried by the parliamentary caucus--that is, if the precedents of past conferences are followed.

The remit that drew the most debate was on the anti-nuclear issue.

The original wording, endorsed by Mr O'Flynn but changed by three amendments, said: "That this conference reaffirms its support of Labour's 1984 policies on ANZUS and nuclear ships and applauds the actions of the government in carrying out those policies; seeks the urgent implementation of legislation prohibiting the entry into New Zealand of nuclear powered and-or-capable warships, aircraft and any land-based nuclear facility, that nuclear weapons be banned and nuclear-powered ships be refused entry to New Zealand in wartime as well as peacetime; that the Royal New Zealand Navy not exercise with ships which may be nuclear armed; that Labour's current nuclear policy be broadened to take account of all aspects of the nuclear fuel cycle, for example from uranium mining to waste disposal."

Of the three amendments, one deleted the reference to ANZUS, a second asked that the deputy prime minister, Mr Palmer, disclose the draft anti-nuclear legislation not just to the Americans on his forthcoming trip but also to British and Australian governments and the New Zealand Labour Party's ruling council, and a third demanded that the legislation "shall provide that no vessel or aircraft shall be permitted entry to New Zealand ports unless there is publicly available and credible evidence which enables the government to guarantee New Zealanders that the non-nuclear policy has not been breached."

The third amendment was moved by Mt Albert MP Ms Helen Clark, who said New Zealand was poised to implement the next stage of its policy by passing legislation. She said some people had claimed that the government was "selling out" on its policy.

"We haven't sweated blood over this for the past year to meekly turn around and allow nuclear ships into our ports," she said.

The draft legislation was not up for negotiation with foreign governments, and this was made clear by her amendment, she said.

Seconding it, Wellington Central MP Ms Fran Wilde said some people had suggested adopting a "trust me" or "trust us" policy as a way out of the dispute between New Zealand and the United States.

This was "not politically viable," she said.

Both MPS praised Mr Lange's work on the antinuclear issue, but it still appeared that their amendment was intended to block any suggestion of the government changing its policy by tacitly allowing visits by warships that might be carrying nuclear weapons, as some observers had interpreted from comments made by Mr Lange early last week.

Mr Lange said later the amendment had not been discussed by the caucus to his knowledge, and the first he had heard of it was on Saturday night. He said he could "live with" the amendment.

The POST asked him if he considered the amendment to have an element of mistrust in him about it.

Mr Lange said he did not take it as being directed at him personally, but politics had "certain realities." Clearly there were people around who didn't trust any politician, he said, "and I don't blame them."

Among the other remits adopted by the conference:

That the government make New Zealand a non-aligned nation, on the principle of positive neutrality.

That New Zealand continue to oppose French nuclear testing in the Pacific, and withdraw co-operation with France by "appropriate and effective" means (but not to the extent of breaking off all sporting contacts, as he had originally been proposed).

That the government work to secure the release of people imprisoned, internally exiled or held in psychiatric hospitals in any country on the grounds of belief in a religion, for artistic or cultural activity or for political beliefs.

That the Soviet airline Aeroflot be permitted to use Christ Church Airport for charter flights for the purpose of deploying Soviet fishing crews to South Island ports.

That the government support the Sandinista government of Nicaragua by formally recognising the government, condemning United States interference in it, and sending a trade, economic and cultural delegation.

That the Soviet Union be asked to withdraw its troops from Afghanistan and allow the Afghan people democratic self-determination.

That New Zealand's foreign policy become independent of the ASEAN countries, by withdrawing recognition of the Pol Pot faction in Kampuchea, adopting a non-aligned position on Kampuchea, and granting aid to Vietnam, provided it discards its "aggressive intentions" in South-East Asia.

That New Zealand withdraw from ANZUS and develop closer defence cooperation with Australia and independent South Pacific states.

That the government end all military ties and assistance programmes with Indonesia and the Philippines, send humanitarian aid to the Fretelin resistance movement in occupied East Timor, and work through the United Nations toward independence for East Timor.

That the Tangimoana base be investigated to satisfy suspicions that it may be involved in the targeting, maintenance, deployment and transit of nuclear weapons.

Two remits that were approved last year but rejected this time included setting an upper limit on defence spending of 1.5 per cent of gross domestic product (it now stands around 2 per cent) and a call for closure of the U.S. operation Deep Freeze base at Harewood, Christ Church.

CSO: 4200/1528

NEW ZEALAND

PAPER VIEWS LABOR GOVERNMENT'S STAND ON ANZUS

HK100611 Wellington THE EVENING POST in English 3 Sep 85 p 6

[Editorial: "Revised Policy; Same Problems"]

[Text] What is different about the government's ANZUS-Nuclear ship visit policy explained over the weekend, and policy used to block a visit by the USS Buchanan back in February?

In substance very little is different except for the complication of a judicial review provision.

Despite the ANZUS row the Americans still insist that they can neither confirm nor deny which of their ships or aircraft carry nuclear weapons. The Americans still maintain that their ability to carry out their responsibilities under ANZUS is degraded when their warships cannot call at New Zealand ports.

According to Labour, warships will not be allowed to enter New Zealand ports unless the New Zealand Government is satisfied that the ship is not nuclear powered or nuclear armed. That means nuclear capable ships and aircraft will be suspect and banned until our government clears them.

Any clearance to enter New Zealand will depend upon a political decision which takes account of official intelligence and third-party information and assessment available from bodies like the Institute of Strategic Studies and the antinuclear group Canwar.

Given the American policy against disclosure, and the capability of conventional weapons to also use nuclear warheads, it will not be easy for New Zealand decision makers and advisers to be absolutely certain in declaring a warship or aircraft nuclear free. It would be even more difficult to convince the fervent antinuclear lobby.

That was exactly the problem even with the USS Buchanan, despite that ship's comparative age and modest class. Anti-submarine torpedoes and depth charges just possibly might have had nuclear warheads. Our government then said no to the Buchanan. Is it any more likely it would say yes 7 months later?

In an age when soldiers can be provided with backpack nuclear explosive charges it would seem that fleet oil tankers and deepsea tugs might be the only kind of ships that would look convincingly nuclear free.

Providing for the court to be asked to decide whether or not a particular ship is nuclear armed would throw upon that institution a responsibility which it may not be equipped to deal with.

Making the courts a crucial factor may be seen as a device to get the politicians off the hook. The people who make decisions on ship visits should be accountable to the voters. Members of the bench are not so accountable. Politicians can defend their decisions and promote their policies. Members of the bench cannot respond publicly to criticism of their judgments.

Polls show a majority of New Zealanders are antinuclear but that majority is not necessarily also opposed to visits by American warships or our participation in ANZUS.

The government is prompt to claim a mandate for its antinuclear election policy but critics, including this newspaper, point out that implications of that policy were not thoroughly explained. Nor did there seem to be any prepared policy to take account of predictable American responses and other problems. The government cannot deny problems as a result of practical application of its antinuclear policy.

The more extreme remits of the Labour Party conference may have been fended off but the government is still stuck with a policy application that crashes against the policy of our major defence partner, America.

New Zealand's defence intentions and its relationship with alliance partners, regional neighbours and ASEAN friends are as much at issue as our sovereignty and abhorrence of the threat of nuclear accident or nuclear war. Trying now to breathe fresh life into the Buchanan era policy shows how little room the government has to maneuver.

CSO: 4200/1528

NEW ZEALAND

LANGE COMMENTS ON PARTY CONFERENCE RESOLUTIONS

HK100625 Wellington THE EVENING POST in English 4 Sep 85 p 7

[Text] The prime minister, Mr Lange, made it clear yesterday that he did not share Labour Party President Ms Margaret Wilson's views that the party would expect to see some attention to conference calls for non-alignment and withdrawal from ANZUS.

Ms Wilson told reporters at the end of the party's 4 day conference that she considered those calls would have to be taken on board by the policy council. The party would expect some movement, she said.

But when Mr Lange was questioned on her statement today, he said that while Ms Wilson was entitled to have her expectation--"that is why we have a policy council"--a synthesis must be worked out between the representatives of a substantial body of opinion within the Labour movement, the Parliamentarians and the test of cabinet judgment.

"The result is conference resolutions sometimes do not become enshrined in policy."

Mr Lange said Labour conferences had half a decade or more of commitment to non-alignment and withdrawal from ANZUS.

However, those views had always been modified by the policy council.

Pointing out that delegates considered 315 remits and 142 amendments during the conference, he said it could not be conceived how watertight and semantic resolutions could emerge from that forum that would be fit for government policy.

"That, is not to denigrate the forum, but you need to have a balancing perspective," he said.

And he said that delegates had voted against remits calling for previously passed conference decisions to be put into policy per se.

That he said, had been an intelligent move.

Asked whether anti-Americanism within the Labour Party made it difficult for the government to obtain a solution to the ANZUS problem, Mr Lange said it did.

However, he said there was not a strong strain of anti-Americanism in the Labour Party.

"There is a strain of it, but it is not a strong strain. Half the people there that were speaking as though they might be heading for some sort of working-class hero stance would be the first to be on the roller coaster at Disneyland," Mr Lange said.

He said the anti-American voice at the Labour Party conference was very, very small.

Asked whether he had had any reaction from the Americans to his latest proposals aimed at a solution, Mr Lange said no.

"Nor will there be until (Deputy Prime Minister) Mr Palmer goes to Washington."

He said the United States was acutely aware of the proposals. "There has not been any instinctive reaction. You can deduce from that there is a considered view being taken of them." Asked whether he had communicated the new proposals to the American authorities, Mr Lange said he had spoken several times to the United States officials in New Zealand.

"There is a further dialogue going on. The way these things are done, you don't suddenly shake the hand of your host in the United States, whip into your briefcase and proceed to make a speech."

Asked how long the United States ambassador in New Zealand had been aware of the problem, Mr Lange said it had been sometime after his return from the South Pacific Forum conference in Rarotonga last month.

Speaking to reporters at the Labour Party conference, Mr Lange made it clear it would be unacceptable for New Zealand to invite the U.S. Navy to come to New Zealand and say whether or not its ship was nuclear-armed.

He said this would be unacceptable because of the American position of neither confirming nor denying whether a ship was nuclear-armed.

As an alternative, Mr Lange suggested that the prime minister and the government should be made legally [word indistinct] not to admit nuclear-armed or powered vessels.

CSO: 4200/1528

NEW ZEALAND

POLICE SHIFT SUSPECTS IN RAINBOW WARRIOR CASE

HK100743 Wellington THE EVENING POST in English 5 Sep 85 p 1

[Text] Auckland, Today--The couple detained in connection with the Rainbow Warrior bombing were today shifted to separate maximum security prisons, after French reports that a mercenary squad was preparing to break them out.

French army officers Major Alain Mafart, 34 and Captain Dominique Prieur, 36, were under guard moved from Mt Eden Prison where they have been held since they were arrested by Auckland police 8 weeks ago.

The charges against them include murder and arson.

Prison superintendent Humphrey Stroud confirmed that Mafart had been transferred to Paremoremo Maximum Security Jail and Prieur to Christ Church Women's Prison.

He said better security and comfort could be offered to the two accused elsewhere than Mt Eden.

Mr Stroud said he was aware of reports from Paris in the past week that mercenaries hired by the French intelligence agency, the DGSE, could be used to free the pair from the old, medium-security prison in Auckland.

"I have read the reports in the papers about people who might want to spring them out--it was a factor in security," he said.

Mr Stroud said the reports concerned him, and a Justice Department decision was made on Wednesday, after talks with police, to move them to a more secure institution.

Mr Stroud said that on rare occasions high-security remand inmates were locked up in Paremoremo, but it was far from common.

Prieur was moved from Mt Eden under strict security this morning and taken to Auckland Airport, where she was flown under prison guard to Christ Church.

Mafart was moved later and arrived at Paremoremo about 11 am. Prison Deputy Superintendent Max Matheson confirmed the new inmate's arrival but would not say which block he was being kept in.

The officer in charge of the Rainbow Warrior police inquiry, Detective Superintendent Allan Galbraith, said the security of prisoners was the responsibility of the Justice Department, not police.

He said police were consulted on the question of maintaining security for the couple and the move to maximum security facilities was quite normal for unusual cases.

Police were concerned that the new location of the quarters for Mafart and Prieur would be published, again for security reasons.

Justice Department penal division secretary Mr Bob Williams said the French pair had been transferred for "security and comfort."

Mr Williams would not state which reason was predominant, nor would he say whether there had been any request for the transfers.

He said arrangements had been made with Prieur's counsel for them to have access to her whenever suitable.

Mr Williams said conditions in Mt Eden were restricted, specially in the women's section.

In Christ Church, the country's only women-only prison, Prieur will be held in the remand wing. She will be kept apart from the prison's 39 other regular inmates.

Prieur will have her own cell. During the daytime she will have access to a recreation room in which there are board games and a black and white television set.

She will also have access to a small, concreted exercise yard. Through a gate she will be able to look across grass fields.

CSO: 4200/1528

NEW ZEALAND

SCIENTIST SEES NO RADIATION DANGER FROM MURUROA ATOLL

HK060946 Hong Kong AFP in English 0925 GMT 6 Sep 85

[By Laurent Bijard]

[Text] Christ Church, New Zealand, Sep 6 (AFP)--A leading New Zealand scientist firmly believes there is no radiation danger from French nuclear tests on Mururoa atoll in the South Pacific.

Interviewed by AGENCE FRANCE-PRESSE, Andrew McEwan, director of the National Radiological Laboratory here, said he would be quite prepared to spend a month's holiday with his family at Mururoa.

Mr McEwan was a member of the Atkinson mission which in October 1983 went to the atoll, where France has carried out over 100 nuclear tests--including 40 in the atmosphere--from 1966-1974.

Mr R. Atkinson, head of the Radiological Laboratory at the time, headed a six-man delegation of scientists from his own country, Australia and Papua New Guinea which published a report saying that the Mururoa nuclear tests did not harm the environment in the short or long term.

Since 1974, the tests have been underground or underwater.

This report has been strongly attacked by Greenpeace which is totally opposed to the Mururoa tests and says that the Atkinson scientists were not permitted to go where they wanted on the atoll and could not take tests where they wished during their short 4-day stay.

Mr McEwan pointed out that: "Our report that there was no danger corresponds to the reality. Radioactivity on Mururoa is weaker than here on New Zealand soil."

He explained that the coral atoll was less radioactive than many minerals in New Zealand and the radiation level in the air at Mururoa base where the test personnel live was also less.

He said the Atkinson expedition had not seen any fissures in the atoll caused by nuclear explosions when they flew over it at a height of 600 metres (2,100 feet). Fissures they saw were natural slips in the coral reef.

The six scientists were also allowed to go on foot around one-quarter of the atoll's coastline in a well-defined zone drawn by the French.

They also noted a coral slip apparently caused by a strong underground nuclear explosion in 1979 when two men were almost drowned in a tidal wave that it caused.

He admitted that the expedition could not take soundings in Mururoa lagoon where they wanted, but only two in spots chosen by French officials.

He said that the official reason given for this refusal was the need to prevent the scientists knowing what kinds of weapons were being tested.

The expedition recorded the presence in the lagoon of 20 kilos (44 lbs) of plutonium, a dangerously radioactive element, but Mr McEwan said that it was harmless until exposed to the air. Nevertheless the test personnel on the atoll have their drinking water delivered daily from Papeete, in French Polynesia, rather than draw it from the lagoon and process it.

Mr McEwan said that in his opinion France had nothing to hide on Mururoa atoll regarding radiation dangers.

CSO: 4200/1528

7 October 1985

NEW ZEALAND

LANGE SCORES REPORTING ON SUSPECTS' PRISON FACILITIES

HK091350 Hong Kong AFP in English 1345 GMT 9 Sep 85

[Text] Wellington, Sep 9 (AFP)--New Zealand Prime Minister David Lange today accused leading French newspapers of "gross distortion" of the conditions of detention of two French Army officers charged in connection with the sinking of the Greenpeace vessel Rainbow Warrior.

"There appears to be an orchestrated campaign to convince the French people that the conditions in which the two prisoners are being held are inadequate or substandard," said Mr Lange.

Mr Lange said Major Alain Mafart and Captain Dominique Prieur, had their own cells with private facilities and were allowed to telephone France.

He added that both their New Zealand and French lawyers had visited them in prison, and French diplomats had been free to visit the two prisoners "from the day of their arrest."

"It is very strange that the French Embassy has made no move to visit the couple when there has been such wild speculation in the French media about the conditions in which they are living," he said.

New Zealand Justice Minister Geoffrey Palmer said earlier New Zealand prisons compared favourably with those anywhere in the world including France, adding: "The suggestion by the French government that New Zealand is somehow not meeting international standards is preposterous, presumptuous and arrogant."

Mr Palmer said he would discuss this issue on a visit to Paris next month.

Meanwhile Mr Lange confirmed that the two French secret service agents had stayed in a motel unit he owned for the night before the July 10 bombing.

Mr Lange described as an "amazing coincidence" that the pair rented the unit he owns at Hinemoa Motel in Parakai, near Helensville.

CSO: 4200/1528

NEW ZEALAND

PAPER VIEWS KIRIBATI-USSR FISHING ACCORD

HK100531 Wellington THE EVENING POST in English 2 Sep 85 p 6

[Editorial: "Tiny State in Big Power Game"]

[Text] When one of the world's poorest nations suddenly earns more money from its exclusive economic zone that should be good news.

A lot of governments and interested observers do not believe that to be the case for Kiribati. That is because the fishing agreement worth \$4.5 million it has recently signed involves the Soviet Union.

Under the agreement 16 Soviet purse-seine trawlers will be allowed to fish for tuna outside Kiribati's 20 km territorial zone and within the island state's 5 million sq km exclusive economic zone.

Landing rights and a shore base are not included in the arrangement, but the U.S. and others are concerned about the agreement and its implications.

Other island states may follow suit and sign up for Russian economic assistance through fishing rights in huge exclusive economic zones.

Governments of impoverished collections of atolls may find their national budgets becoming dependent upon Soviet Russia's support. They could become subject to pressures suiting Moscow's purpose and causing an embarrassment to the West.

Russia may eventually be able to establish a shore base and airfield to support its fishing fleet. Willing or acquiescent allies may be gained in the central and South Pacific.

America must be apprehensive about the Soviet fishing fleet's ability to monitor allied naval movements, communications, and U.S. ballistic missile testing on Kwajalein atoll in the Marshall Islands.

Given the state of big power politics these are legitimate concerns for America, New Zealand, Australia and others.

The point of view of tiny Kiribati has not had much airing. That country's resources are so slight the new opportunity presented by allowing fishing in its exclusive economic zone is too good to miss. Countries other than Russia would have been free to bargain for the right to fish the zone.

Pacific countries' reliance upon fishing has received scant acknowledgement from the United States and her tuna fishermen. They maintain that migratory species of fish, such as tuna, do not come under exclusive economic zone fishing rules. Some American tuna fishermen have been belligerent in pressing what they hold to be their rights.

Too many of the island states would not have the resources to police their exclusive economic zones, or to have their own fishing fleets and processing facilities for large-scale exploitation on their own account. They have to license fishing rights to others in order to benefit. New Zealand is an example of a country reaping some monetary and research returns from granted fishing rights in its zone.

It is selfish for the West to expect poor island states to deny themselves some reward from the one major resources that they have--vast stretches of ocean and the fish therein.

It is also unrealistic to expect that the West can provide all Pacific island states with sufficient economic assistance to buy them away from Russian offers.

What Kiribati has done may improve realisation in the West that poor island states do have special needs and a heavy reliance upon harvests from the sea, whether by their own fleets or by proxy.

Russia has demonstrated that small dots on a map can represent big gains in political strategy.

CSO: 4200/1528

NEW ZEALAND

BRIEFS

DIESEL FUEL PURCHASED FROM PRC--BP New Zealand Ltd has bought 28,000 tonnes of diesel fuel from China. It is the first major fuel purchase from China in 5 years and the largest ever. The shipment, worth more than \$9 million (though a BP spokesman was not willing to put any exact figures on the deal), is to be loaded on to the New Zealand coastal tanker Kuaka at the Chinese port of Dalian and is due in New Zealand in mid September. The Kuaka is not needed on the New Zealand coastal run because of the Marsden Point refinery expansion shutdown. The fuel is needed, though, because of the nonproduction at the refinery. The deal between the Chinese Government and BP came soon after a trade mission to China led by the Minister of Overseas Trade, Mr Moore, but the BP spokesman said the two were not related. He described the deal as a "straight commercial transaction" with no political factors involved. "The Chinese have long indicated they have had product available and we have taken the offer up," he said. The spokesman said BP almost bought some oil from China in the middle of last year but the deal fell through because of disagreement over payment. The latest deal has pleased Mr Moore, who said it was a balance of the two-way trade between the countries, which runs heavily in New Zealand's favour. [Text] [Wellington THE EVENING POST in English 2 Sep 85 p 3 HK]

ASKING U.S. SUPPORT DENIED--Opposition leader Mr Jim McLay says there is "no truth whatsoever" in a claim made at the weekend that the National Party has approached the United States Government for support in the next election campaign. Nelson MP Mr Philip Woolaston claimed at the Labour Party conference in Christ Church that a State Department official had told him of the approach when he was in Washington in May. But Mr McLay denied the claim and challenged Mr Woolaston to prove it. "The National Party has not approached anyone overseas for assistance with its election campaign," he said. "The thing can be very easily checked if he is prepared to name the official to who he spoke." Mr McLay said allegations that the Americans were assisting political parties in other parts of the world were "the standard paranoia of the Labour parties in Australia and New Zealand when they get into difficulties." Dr Michael Bassett had made similar allegations in the late 1970's. It was political paranoia and should be treated as such, Mr McLay said. [Text] [Wellington THE EVENING POST in English 2 Sep 85 p 8 HK]

CSO: 4200/1528

7 October 1985

SOLOMON ISLANDS

BRIEFS

NEW DIPLOMATIC REPRESENTATION--Solomon Islands plans to widen its overseas representation, confined at present to a Permanent Representative at the United Nations, who also acts as Ambassador to the United States and Canada. Three missions will be established--at Canberra, probably by 1987; at Tokyo and London or Brussels, probably by 1990. [Text] [Sydney THE SOUTH SEA DIGEST in English 6 Sep 85 p 4]

CSO: 4200/1564

THAILAND

ACADEMIC VIEWS 'DECLINE' IN RELATIONS WITH UNITED STATES

BK160935 Bangkok WIWAT in Thai 10-16 Sep 85 pp 24-25

[Article by Thammasat University Lecturer Prasoet Chittiwatthanaphong:
"Thai-U.S. Relations: Is Another Book in Order?"]

[Excerpts] In the eyes of the Thai people, the United States was once the superpower in virtually every field--security, economy, education, culture, science and technology, and so forth. During the Carter administration, U.S. foreign policy showed a high sense of moral values, particularly in granting foreign aid, and strongly upheld human rights.

Lately the image of the United States in the eyes of the Thai people has changed, however, beginning with its acting as a weapons merchant in selling Thailand 8.9 billion baht worth of F-16's, Secretary of State George Shultz's refusal to recognize Thai-Japanese trade negotiations [as published] when he first visited Thailand en route to the ASEAN ministerial meeting in Kuala Lumpur, and the U.S. Congress' attempt to adopt the Jenkins bill--which resulted in Thai parliamentarians' protesting to the U.S. Congress and in opposition from Thai circles in general.

Regarding ideology or political ethics, the United States is no longer respected as the leader of the free world. Reagan's policy has not differentiated dictatorships from democracies as long as they are anticommunist or oppose anti-U.S. countries, a policy differing greatly from that of the Carter administration. Reagan's image is that of a hawk favoring arms development, a cowboy who cares only for U.S. interests, and so forth. Unreserved support for the Marcos and Chon Tu-hwan regimes' trampling of human rights has made Reagan appear to condone dictatorship.

In short, in Reagan's era, the United States has been viewed as the country that concentrates on selling weapons while reducing its presence abroad, practices as uncompromising foreign trade policy, and lacks democratic principles, all with the support of domestic public

opinion in the United States. Developing countries, like Thailand, have been negatively affected. Thailand's monetary, balance-of-trade, export, and foreign borrowing situations are grave. Moreover, its meager resources have to be squeezed dry to buy expensive weapons. Its limited foreign currencies thus flow into U.S. pockets while at the same time the United States has become Thailand's major export competitor and has started to discriminate against Thai products as well.

Let's hope that the decline in Thai-U.S. relations will stop at this point. Let's hope that Thai who are friends of the United States will not overlook these problems, although nothing is certain. Let's hope that a white book on Thai-U.S. relations will not be necessary, as it was in the case of our relations with Japan.

CSO: 4207/302

THAILAND

COLUMNIST SEES U.S. MIA ISSUE LINKED TO CAMBODIA

Bangkok THAI RAT in Thai 31 Aug 85 p 2

[Window on the World column by Sunthon Wathi: "The 'Halfway' of Thach"]

[Text] A few days ago, the Cambodian problem improved slightly. Vietnamese and U.S. representatives held talks in Hanoi on the fate of the 2,500 U.S. servicemen missing in action in the Vietnam War. Both sides said that they were satisfied with the talks and that they had agreed to solve this problem within 2 years or even sooner.

The Vietnamese said that this problem can be solved more quickly "if" the United States removes Vietnam from its "list of enemies," gives Hanoi the opportunity to receive help from Washington and paves the way to normalizing trade.

What does this have to do with the Cambodian problem? It has a lot to do with it, particularly in the view of Hanoi and Indonesia, a member of ASEAN. Hanoi feels that if it establishes normal relations with the United States, Vietnam will no longer be isolated. It will be able to get aid and trade with countries throughout the world. And if that happens, it may be that they will have to solve the Cambodian problem, too.

Another step forward in the Cambodian matter is the statement made by Nguyen Co Thach in Jakarta. The Vietnamese minister of foreign affairs said that ASEAN will "have" to meet Vietnam "halfway" if the Cambodian problem is to be solved. Otherwise, there is no way of solving this problem. Mr Thach said that if there is only "one-way traffic," this would be tantamount to a Vietnamese defeat, and Vietnam has never been defeated.

What does Thach mean by "halfway?" "The Khmer Rouge must be eliminated" based on the demand of Hanoi and the Heng Samrin government. What this means is that to solve the Cambodian problem, the opposition in Cambodia must first stop opposing Vietnam. Because the Khmer Rouge is now the strongest force in the struggle against Vietnam. If the Khmer Rouge is eliminated, that would be tantamount to having the

Cambodians cease their opposition to Vietnam's occupation of Cambodia. The Sihanouk and Son Sann groups are not strong enough to continue the fight. The leader of the group [Sihanouk] frequently threatens to resign.

11943

CSO: 4207/294

THAILAND

COLUMNIST SCORES REAGAN ON SOUTH AFRICA

Bangkok THAI RAT in Thai 29 Aug 85 p 2

[Window on the World column by Sunthon Wathi: "Reagan and South Africa"]

[Text] Many countries are condemning the South African government's policy of apartheid and its oppression of the black majority. Several countries have announced a boycott of South Africa. The boycott led by France has spread throughout Western Europe and is spreading throughout the world. But can you believe it! There is one major leader of the Free World who still supports the government of South Africa. The leader to whom I am referring is none other than President Ronald Reagan.

The United States is considered to be the leader of the Free World in spreading freedom and equality throughout the world. Under the leadership of President Botha, the South African government has clearly implemented a policy of showing contempt for and oppressing the blacks, who are in the majority in the country.

The blacks and whites there lead completely separate lives. There are separate restrooms, hospitals, buses and trains. They even have separate cemeteries.

The blacks, who form the majority, do not have any rights. They are so oppressed that they have begun to fight back. The white government is trying to suppress them using resolute power. In just a few months, more than 600 people have been killed and more than 2,000 have been jailed.

Members of the U.S. Congress and many groups in the United States have called on President Reagan to put pressure on South Africa. Some congressmen have proposed promulgating a law to establish an economic boycott and prohibit people from trading with South Africa. People would be prohibited from selling certain goods or importing gold. Some U.S. banks would be prohibited from making loans to South Africa.

But President Reagan opposes this, claiming that the South African government is doing a good job. Reagan does not view the turmoil there as a racial struggle. He views it as a struggle between the communists and anti-communists. Almost everyone else views this as a struggle between the blacks and the whites, that is, between the oppressed and the oppressor.

11943

CSO: 4207/294

THAILAND

DAILY DISCUSSES NEED FOR CABINET RESHUFFLE

BK151640 Bangkok THAI RAT in Thai 19 Sep 85 p 3

[Editorial: "Cabinet Reshuffle"]

[Text] The prime minister has reportedly been trying to change his whole cabinet, which is permissible under the democratic system. In so doing, the prime minister has at least two reasons: 1) to test the people's support for the new government he will form; and 2) to relax the current political tension.

Under the democratic system and in any developed country, a government that has been formed with the approval of the parliament can be changed through peaceful means. At the same time, supporting votes in the parliament indicate how well a government can administer the country.

We agree with the idea that the prime minister should resign and form a new government. He can include any party in his new coalition, as long as it is a stable one. We believe that the parties in the present coalition government will have no objection because such a change is a quite usual democratic practice. Let the two houses decide who should form the new government.

The new government will have to submit its policy statement to the National Assembly for its approval of the representatives of the people, thus defusing the existing political crisis and proving to the world that Thailand still adheres to the principle of democracy as other democratic nations do.

The government's weakness is obvious in two areas. First, it failed to tackle the economic problem in a timely manner. Second, the people have no guarantee for the safety of their life and property. The two problems are rather tough for the present government and the new one to come. They were cited as one of the reasons for the abortive coup on 9 September. The government must try to solve these protracted problems quickly.

We admit that the government has been doing quite well in safeguarding the democratic and parliamentary institutions. This is one of the reasons why the government should be able to win more popularity from the people. The use of force or any unconstitutional act to press for a change should now be obsolete.

CSO: 4207/301

THAILAND

COLUMNIST URGES PRIME MINISTER TO CALL ELECTIONS

BK201605 Bangkok MATICHON in Thai 20 Sep 85 p 5

[Khanin Bunsuwan column: "Cabinet Reshuffle Will Not Solve the Problem; 'Dissolution of the House' Is the Only Way Out"]

[Excerpts] The government, in particular the prime minister, seemed to be in a very stable position before the outbreak of political unrest on 9 September.

As time goes by, I have come to know more about what is going on. The "2-brother rebellion" does not represent the overall picture.

The rift within the military circles and suspicion between General Prem and some power-holding officers in the Armed Forces have become incurable wounds.

Up to today, many people might be elated by the government's victory over the coup attempt. The prime minister's facial expression on the television screen can easily make one feel that the world is fresh and beautiful.

However, I am of the opinion that the Prem government, especially the prime minister himself, is now in a very difficult position. In other words, the government's stability is being shaken.

The government will not be able to solve any problem or gain anything by merely reshuffling its cabinet--putting old wine in a new bottle. This is because all the thorns in the flesh of the government as well as the adverse consequences of the 9 September unrest have not yet been eliminated.

A cabinet reshuffle at this time will only sow discord among the parties in the coalition because each of them will compete for the ministerial posts. It will be quite a hectic job to decide members of which party should fill the posts left vacant by the dismissal of the National Democracy Party after its leader has been accused of being involved in the coup bid. Moreover, the people's discontentment

over the way the government is dealing with the economic problems which have led to the fall of the prices of agricultural products, financial difficulties for private enterprises, unemployment, etc. will continue to exist because nothing new has been introduced.

The present structure of the country's politics is not conducive to the effort to solve any problem because it allows government officials and specialists to influence the government's economic and financial policy. Besides, "Pa" [nickname for prime minister Prem] trusts and believes these people more than ministers from political parties.

Last of all, Prime Minister General Prem might not be aware that the number of his political enemies, especially in the Armed Forces, has increased after the 9 September coup attempt. Will they let him finish out his premiership without disturbance?

For all the reasons I cited above, I am of the opinion that General Prem should not reshuffle his cabinet to prolong the life of his government. A cabinet reshuffle will not benefit the country's economy, democracy, or anyone, not even the prime minister himself.

If General Prem really loves the people as he said with tears in his eyes on television at about 9 pm on 9 September, he should dissolve the house and call for a general election to eliminate all the conditions of the vices and let the people make the decision.

In so doing, the foundation and structure of the country's politics will also be readjusted and become more democratic.

CSO: 4207/302

THAILAND

THAI NATION PARTY LEADERSHIP MEETING, DISPUTE REPORTED

Bangkok THAI RAT in Thai 31 Aug 85 pp 1, 20

[Article]

[Excerpt] At a Thai Nation Party meeting at a house on Ratchakhru Lane at 1400 hours on 30 August, Maj Gen Chatchai Chunhawan, the deputy leader of the Thai Nation Party, presided over the meeting in place of Maj Gen Praman Adireksan, the party leader, who left to attend an opposition party conference in Japan at the beginning of last week. Those at this meeting discussed various topics as usual. But at approximately 1615 hours, reporters who were waiting there to learn the results of the meeting heard people shouting.

They all heard someone shout, "I am not satisfied with this. If he is expelled, I will resign, too." A few moments later, several party members stamped out of the conference room. But people were still arguing in the conference room. The reporters asked Mr Bunthong Songpracha, an MP from Chainat, what had happened. It was learned that the first person to start shouting had been Mr Kamon Chiraphanwanit, an MP from Lopburi. He was displeased by the fact that the chairman of the meeting had suddenly adjourned the meeting after reading a motion put forth by Mr Phaithun Khruakao and 30 members to improve the party's internal structure. No one was given a chance to comment on or express opposition to this motion. Mr Bunthong said that the trouble started because of the newspaper reports about the expulsion of the party leader and various internal changes.

At the same time, Mr Phaithun Khruakao, an advisor to the party who avoided the turmoil in the conference room, told reporters that the stories in the press about the expulsion of the party leader were not true. He said that he and the others had put forth this motion since there is a movement to dissolve parliament, and the 1987 general election is fast approaching. Thus, he feels that the party's organization and internal structure should be improved in order to make progress. As he was talking to reporters, Mr Withaya Thienthong, an MP from Prachinburi Province, opened the door of the conference room and shouted at Mr Phaithun. He told the reporters not to listen to Mr Phaithun, who is not a member of the Thai Nation Party. But Mr Phaithun continued

to explain things to the reporters. Mr Withaya came out again and shouted, "I am going to give you a beating."

After a moment of calm, the situation began to turn ugly when Mr Withaya came out and tried to hit Mr Phaithun. But he was restrained by other party members. They called Mr Banhan Silapa-acha, the secretary of the Thai Nation Party, to come and invite the reporters to come in and hear the results of the meeting. As for what had happened, Mr Banhan said that some members had submitted a motion to improve administrative affairs within the party as the time for the 1987 election approaches. He said that the argument that they had heard was an ordinary matter. This was not a major matter. In the end, everyone agreed that things should be improved in order to strengthen the party.

Mr Banhan said that people all have different views. They should not blow this out of proportion. The party views this as just a minor matter. A reporter asked whether this change in structure would affect any of the top people in the party. Mr Banhan said that this is a matter for the party members to discuss. It depends on the resolution passed by the party. He said that he told those at the meeting that they should wait until the party leader returned before discussing this. As for the proposal to improve the party, he told the meeting that he would organize a seminar in October and November in order to formulate plans for achieving good results in the election.

Maj Gen Chatchai said that this proposal is aimed at improving election development lines and enabling the opposition parties to be the hope of the people in solving the policy and personnel problems. In the future, it may be possible to find additional talented people. At present, the government is crumbling.

As for what actually happened, several members of the Thai Nation Party told reporters that Maj Gen Chatchai asked Lt Gen Chan Angsuchoti, an MP from Kanchanaburi Province, to read the motion of Mr Phaithun and the others. This motion stated that the party committee was mismanaging things and that many things needed to be corrected. After this motion was read, Mr Phaithun got up to support his motion. After Mr Phaithun finished speaking, the chairman of the meeting adjourned the meeting.

A news report stated that what made the members angry was that the chairman did not give anyone a chance to comment on or oppose this. And so people got up and began shouting at each other. Many members do not like Mr Phaithun, who is not a real member of the party. Besides this, he does not attend party meetings very often. He does not do anything but criticize those who try to get things done. He is not respected in the party. Reporters also learned that Maj Gen Chatchai reached a private agreement on this with Maj Gen Praman. It has been observed that Maj Gen Chatchai may be tricked into joining the government

with the prime minister on the condition that the present leader of the party, who cannot get along with the prime minister, is replaced as party leader. Lt Gen Chan is the person who will inform the party leader of this in Japan.

11943

CSO: 4207/294

THAILAND

GOVERNMENT CALLED ON TO CLARIFY COUP PLOT

BK151043 Bangkok NAE0 NA in Thai 14 Sep 85 p 4

[Editorial: "Prevention Is Better Than Cure"]

[Text] On Friday, 13 September, the House of Representatives was scheduled to debate a motion by Social Action Party and Democrat Party MP's on the 9 September coup by calling on the government to clarify the whole incident, in which property was damaged and innocent people killed and wounded, including a number of soldiers and policemen.

The House closed the meeting without debating the motion, but there are still many things to be discussed.

First of all, the House move is proper and appropriate because the coup not only caused deaths and property damage, but also seriously affected the country's reputation. A western diplomat says the coup has caused inestimable loss to the country's economy and investment.

Besides wanting to destroy an administration brought to power by democratic means--which is a serious wrongdoing--other actions and by the coup plotters also show their harmful intentions.

Although the group calling itself the "revolutionary party" cited the government's failure to solve the country's economic problems as a reason for staging the coup, when we consider some of those who took part in the coup--especially Ekkayut Anchanbut, a suspect sought for swindling charges involving the chartered chit fund case--the reasons stated by the group totally lose their meaning. When the owner of a chit fund operation who is wanted by the police comes to be one of the coup leaders, it is tantamount to a sermonizing bandit.

It is true that the people are not satisfied with the government's performance on economic matters, since it is slow to make decisions on solving problems, and the people also want to see changes that can bring new hope; but they want to see the changes made. The Deputy

Army Commander General Thianchai Sirisamphan said they should be made:
"If there are problems, they should be solved at the parliament."
This remark has great meaning for our country's democratic system.

Moreover, the people want to see changes that will bring a bright future, not changes that will take us backwards or bring swindlers in to administrate the country.

The government did not clarify the incident to the House of Representatives, but it still has the duty to explain it to the people and must take steps to prevent a repetition of such incidents in the future.

CSO: 4207/302

THAILAND

DAILIES ON KRIANGSAK ROLE IN COUP ATTEMPT

BK131703 [Editorial Report] Three Thai-language Bangkok dailies--MATICHON, THAI RAT and SIAM RAT--on 13 September carry editorials and a column commenting on the alleged involvement in the 9 September political unrest by Gen Kriangsak Chamanan, leader of the National Democracy Party.

MATICHON's 800-word page 4 editorial, entitled "Political Etiquette," notes that a move is underway by MP's to propose a motion seeking the expulsion of General Kriangsak, MP from Roi Et Province, from the parliament, as he is one of the seven general officers who were present at the Revolutionary Party headquarters on 9 September. Moreover, reports had it that several leading figures in Kriangsak's National Democracy Party were also "forced" to draft the Revolutionary Party's statements and announcements. This means that not only General Kriangsak, but also his party have come under public suspicion for their involvement in the recent unrest aimed at toppling the government and destroying the parliamentary system.

It must be quite difficult for Prime Minister Gen Prem Tinsulanon to make any decision now, as General Kriangsak is only an "accused," and as justice must be done for the suspect to show his innocence. "There is nothing written in the Constitution concerning the political etiquette politicians and political parties must follow. Yet, politicians and political parties of value should keep it in mind. General Kriangsak and the National Democracy Party should not wait until they are expelled either from the parliament or from the government, but should show their spirit by voluntarily withdrawing from the two bodies. Moreover, the party should investigate its members and report the findings to the people in order to prove its innocence," the paper concludes.

THAI RAT's 800-word page 3 editorial, entitled "Welcome Moves," says that the move by MP's to expel General Kriangsak, and the declaration by cabinet ministers from the National Democracy Party that they would resign as a group from the coalition government if their party leader is found to have been involved in the 9 September unrest are good signs for democracy. "They demonstrate that those politicians adhere to their principle of democracy, and will contribute to the strengthening of our democratic foundation and will set an example for generations to come as to the faith they must have in the parliamentary system, and showing that they must abide by democratic rule once they have become members of the democratic institution," the editorial says. It adds that politicians who pledged to uphold democracy must match their words

with deeds. Concerning the case of General Kriangsak, it has still not been proved whether he really joined the coup makers or was forced to be with them. It is therefore his own responsibility to clear himself of suspicion and take action to protect the image of the parliamentary system, since he himself is a member of it as an elected MP.

SIAM RAT's 1,500-word column on page 5, written by Thahan Kao, entitled "Let Us See Whether Gen Kriangsak Will Show His Sporting Spirit," says that of the three generals suspected of involvement in the 9 September unrest--Gen Soem Na Nakhon, Gen Yot Thephatsadin Na Ayutthaya, and Gen Kriangsak Chamanan--the latter seems to face more problems as he is a parliament member of the coalition government. A number of parliamentarians, including those in Kriangsak's National Democracy Party, are pushing for a motion to expel Kriangsak from parliament. Moreover, what should be expected is that the three cabinet ministers of the National Democracy Party withdraw from the government in accordance to political etiquette. This would give a chance to the prime minister to reshuffle the cabinet. "I am not sure whether things would go the way I speculate. But everyone knows that General Kriangsak, who once was prime minister and secretary general of the Revolutionary Party himself, is a man of strong decision. I do not think he would wait until MP's take action under article 82 of the Constitution in order to expel him." The columnist goes on to urge Kriangsak to step down voluntarily.

CSO: 4207/301

THAILAND

EDITORIALS CONSIDER 9 SEPTEMBER COUP ATTEMPT

BK121133 [Editorial Report] Three Thai-language Bangkok papers--THAI RAT, SIAM RAT and MATICHON--on 12 September carry editorials commenting on the 9 September aborted coup d'etat in Thailand.

THAI RAT's 800-word page 3 editorial, entitled "Faith in Democracy," says that one thing the failure of the coup bid reflects is the progress of democracy in this country. It quotes General Thianchai Sirisamphan, deputy army commander in chief, who said that he was sorry and ashamed of what had happened because there should no longer be such an attempt in our country as we have Parliament as the forum to solve national problems. Interior Minister General Sitthi Chirarot also said it is shameful to the world as we are a country with a democratic system. The coup makers even captured this general feeling of the people and pledged in their statement to "lay the foundation of the democratic form of government down to the level of tambon councils." A recent opinion poll by academicians revealed that the majority of the people in the country have faith in democracy and back the role of Parliament. THAI RAT concludes: "As the majority in the country has faith in democracy, it means that we are equipped with what is basically needed for the development of democracy. Now it is the duty and responsibility of all concerned, especially parliamentarians and political parties, to improve themselves in a bid to prove the value of the democratic system."

SIAM RAT's [200]-word page 3 editorial, entitled "The Cause of Unrest," reports that the coup makers gave as the reason for their action the government's failure in handling the economic problem. Although the reason given is not convincing, there can be no denial that the government should have done something to correct the situation, since the government has the power under the laws and Constitution as well as the means to implement measures. There has been a public call on the government to reshuffle the cabinet and overhaul its economic policy, but the prime minister has not responded.

"We think that the recent internal unrest or a coup would not have occurred at all if the government had taken a preventive measure by doing something to improve its image. As the government remained hesitant, others naturally took advantage of the situation to topple it," the editorial says. It calls on the prime minister to reshuffle his administrative team as soon as possible. "The prime minister's delay in making a decision resulted in a costly lesson. It was a lesson paid for in people's lives. We do not want to see it happen again," the paper says.

MATICHON's 800-word page 4 editorial, entitled "Legal Justice of a Legal State," supports the call by Speaker of the House of Representatives Uthai Phimchaichon for the government to conduct fair investigations into the 9 September incident and make the truth known to the people. "Despite the fact that the two 'Rupkhachon' brothers have been made the culprits in the incident, factual developments as well as statements by several cabinet ministers and high-ranking military officers gave a clue that this rebellion must not be the work of the military officers at the rank of colonel and wing commander only but must involve many other conspirators and must have been prepared over a certain period of time. This is the riddle the government must quickly solve," the paper says.

Those people committed a crime of internal unrest and were responsible for the killing and wounding of people and damage to government property. They committed offenses not only against the government but also against the country and the people as a whole. "The government of General Prem Tinsulanon is composed of four political parties with its members coming from the majority in Parliament. It has the right as well as the privilege of an elected government holding the mandate of the entire nation. The government must therefore show its responsibility in protecting the interests of the people and being honest with the people. It must make the truth completely known to the people," the editorial says.

CSO: 4207/301

THAILAND

PAPERS CARRY EDITORIALS ON 9 SEP COUP

BK120703 [Editorial Report] Three Bangkok vernacular dailies--THAI RAT, SIAM RAT and MATICHON--and two English-language papers--BANGKOK POST and THE NATION--on 10 and 11 September carry editorials commenting on the 9 September abortive coup.

The SIAM RAT 10 September editorial, on page 3, entitled: "Lessons From the Aborted Coup," says the coup, resulting from the use of force by a military group to settle political differences, should not have happened. "It is particularly disgusting when a coup mastermind was allegedly Colonel Manun Rupkhachon, who had been implicated in and pardoned for involvement in another coup attempt earlier."

The SIAM RAT editorial continues: "The failure of the 9 September coup shows that the majority of military men cherish democracy, which is much different from soldiers of the past. Developed minds of soldiers were responsible for a quick end to the coup attempt and thus democracy in Thailand was preserved. This is commendable and is a quality which Thai people can rely on."

The editorial concludes that the cause of the coup should be looked into closely because it is probably not ambition alone which led to the coup. "Weaknesses in national administration are probably a cause as well."

The 11 September MATICHON editorial, on page 4, entitled "The 9 September Coup," says "the coup attempt left many questions unanswered. In particular are the two Rupkhachon brothers, the sole masterminds and who will be held responsible for the loss of lives and bloodshed?" The editorial points out that Colonel Manun was an old hand at a coup and doubts if "he would be silly enough to lead a coup with only a handful of soldiers. This is what the government investigation committee must find out." The editorial concludes that to leave the investigation incomplete would mean that the government is losing an opportunity to strengthen its own security and to use the coup as a lesson to prevent future coups.

The 11 September THAI RAT editorial, on page 3, entitled: "Lesson of 9 September," says the quick failure of the coup shows "the use of force to effect change in state power receives no support from the people, civil servants, and even soldiers."

The editorial continues: "The 9 September incident, like previous similar incidents, should teach people a lesson and encourage them to uphold higher the democratic system, which translates into their own rights and freedom. At the same time, the incident should encourage the government, civil servants, soldiers, and politicians to cooperate in order to strengthen our democratic system. In particular, politicians both at the national and local levels must strengthen their awareness of democracy and stop their search for self-interest because this is the only way to achieve a stronger democratic system.

"The 9 September incident should provide a good lesson for the government. That is, it must actively tackle the current poor economy. One thing it must do is disclose facts about the economic problems as it appears that the government was not being frank due to fear of criticism or its own stability. The people will certainly be cooperative if they know the facts about the economic problems which are facing them."

The 11 September SIAM RAT editorial, on page 3, entitled: "After the Smoke of the 9 September Coup Settles," says it agrees with General Prem's message to the nation given right after returning from Indonesia about the importance of national unity and cooperation from all sides to forge unity. Continuing, the editorial says: "The coup attempt was a serious crime in accordance with the law. The legal process must be brought in to deal with those involved in it." It concludes that without legal process the government could be accused of favoritism, which would not contribute to General Prem's call for national unity.

CSO: 4207/301

THAILAND

COLUMNIST URGES MILITARY TO INVESTIGATE COUP

BK170832 Bangkok SIAM RAT in Thai 11 Sep 85 p 3

[Hoenfa Kindin column: "The Story Behind the 9 September Coup"]

[Text] The military and the government will probably not let the recent abortive coup pass without review or investigation because they are unlikely to think so simply and irresponsibly that every coup in the past has been merely a drama or political farce that could only be made by a few reckless persons.

The quickly-ended rebellion should not mislead them to underestimate the coupmakers as foolish and incompetent or people who did not plan carefully in advance. There must be something behind it, since everybody knows that a coup is not like a get-together party.

Nobody will believe that only a small force of about 500 soldiers would dare to seize power, overthrow the government, and tear the Constitution. Even cavalymen, no matter how fierce they are, have to stop and consider whether they lack support from their followers and officers who have the power in hand.

In particular, it is ridiculous to hear that the coup plotters were some retired generals and a former military officer who don't even command those lowranking soldiers. Nobody will believe this!

Colonel Manun Rupkhachon, who had already tried one abortive coup, would of course know well where he stands and what he can do. He would probably not play with those old and out-of-date generals, and would know that if he only used tanks parked in front of the public relations department and seized some radio stations, he would be defeated like he was before. Is Colonel Manun so brave to dare and seize the Sanum Suapa Supreme Command Headquarters as the headquarters for the coup?

To stage a coup requires a lot of money and support from military officers who have power in hand. Only when they are confident in these two factors, will they maneuver troops from barracks, as well as heavy guns, tanks and ammunition. Could retired officers and low-ranking soldiers be able to do this?

Moreover, the silent maneuver of armed troops from upcountry to Bangkok is the order of whom? People will laugh again if they are told that it was ordered by retired military officers or by Colonel Manun.

Staging a coup needs more support from those with magic powers, which the high-ranking commanders in the military must be responsible to investigate--so that people will not have shed their blood and lost their lives in vain.

I am one of those people who does not believe that the Army did not know in advance that a group of soldiers would move to Bangkok and seize some government offices. It is impossible.

It is also impossible that people of the Air Force did not know in advance that some soldiers would take the Air Force commander hostage.

Moreover, in order to assure future peace and security for the people and the country, the generals in Bangkok cannot escape responsibility for investigating the fact that a group of soldiers from Bangkok roamed around the streets equipped with weapons and 18 tanks. Otherwise, they will be no match for the Vietnamese if they are so stupid!

It is the duty of General Prem Tinsulanon, prime minister and defense minister, and General Athit Kamlang-ek, supreme commander and army commander, to jointly investigate the military in order to clarify the facts to the people who suffered the loss of life, blood, time, morale, and the money of the country as a result of the incident.

It is also the duty of newly-appointed Army Chief of Staff Lt Gen Chawalit Yongchaiyut, 1st Army Region Commander Lt Gen Phichit Kunlawanit, and 1st Army Division Maj Gen Itsaraphong Munphakdi to work together to find out what's behind this coup attempt.

It seems that the military is likely to have a major operation soon as speculated.

CSO: 4207/301

THAILAND

PHICHIT DISMISSES 'RUMORS' ON COUP ROLE

BK200908 Bangkok THAI RAT in Thai 20 Sep 85 p 7

[Text] 1st Army Region Commander Lt Gen Phichit Kunlawanit, who has been the victim of malicious rumors since the 9 September coup, yesterday spoke to a gathering of Colombo Plan members at the Hilton International Hotel on the topic "Development Work of the 1st Army Region." Later, speaking to newsmen for the first time since the 9 September unrest, Phichit was asked about damage to the 1st Division radio station, and replied "about 20 million baht--all five transmitters were damaged and only two could be repaired three new ones have to be bought."

Asked if the situation in Bangkok has improved, Phichit said it is not his duty to give interviews. Newsmen noted that many rumors have been circulated about Phichit, but Phichit said he did not care, adding "I perform in accordance with my assigned duties." Asked how many soldiers were actually arrested, Phichit said he did not know and that newsmen must ask the police director general that question, saying he must be polite and not transgress into other's responsibility and authority.

Asked if the Army will sum up lessons from the coup, Phichit said newsmen must ask whoever is responsible about that and that he has no authority to make any statement because he is not the Army secretary. Asked again by newsmen about rumors against him, Phichit said he did not care and that he would not have time to work if he paid attention to rumors. Asked why he did not clear himself, Phichit said: "What you asked about is already a rumor."

CSO: 4207/301

THAILAND

DAILY CITES REPORTS OF SRV TROOP MOVEMENTS

BK170846 Bangkok SIAM RAT in Thai 17 Sep 85 pp 1, 12

[Text] A military source told reporters in Prachinburi that on 14 September Vietnamese soldiers and heavy weapons were moved from Sisophon District, Battambang Province, to the 4 km post at Ban Pho Sam Ton and the 9 km post at Ban Nimit in Poipet. The equipment involved in the movement included armored personnel carriers, RPG's, M-113's, T-54 tanks, 25 ten-wheel trucks, and about 2,000 soldiers. The Thai military thinks the T-54 tanks were among the 50 tanks given to Vietnam by the USSR last month. It believes the troop movement was in preparation for operations against the tripartite Cambodian resistance elements in the coming dry season.

In any event, the Cambodian resistance forces have taken advantage of the heavy rains to ambush Vietnamese-Heng Samrin soldiers regularly. Continued exchanges of heavy weapons fire have been going on since 2 September. The sound of artillery fire and other weapons could be heard in the Aranyaprathet District seat.

Regarding the relocation of some 50,000 Cambodian refugees from Site 7 to Site 2, about 60 percent have been moved to date. It is anticipated that the relocation will be completed in September as scheduled due to various obstacles, particularly heavy rains.

About 3,900 Vietnamese refugees in Site 7 will also be moved to Site 2 as well but segregated from Cambodian refugees to avoid racial and political problems.

CSO: 4207/301

7 October 1985

THAILAND

SINGOEN COMMENTS 'NO PERMANENT ENEMIES', SEEKS INDOCHINA TRADE

Bangkok THAI RAT in Thai 4 Sep 85 p 5

[Slap the Face column by Pleo Singoen: "Senior People in Indochina"]

[Excerpts] Mr Koson Krairuk, the minister of commerce, who traveled to Los Angeles to preside at the opening of a jewelry shop there, returned on Sunday evening. Reporters thought that he had gone there on official business, too, and so they rushed to interview him.

The United States is not the only market in the world to which we can sell goods. We should send national-level "salesmen" to other places, too. Sometimes we look too high and forget to look around us as if we could not "see the forest for the trees."

I think that Vietnam, Cambodia, Laos and Burma will soon become markets for Thailand on a government-to-government level in addition to the private trading that goes on today, from which the government does not benefit at all. Some may say that Vietnam, Cambodia and Laos do not have any money to purchase goods. But in business, there are many ways to engage in trade without having to use money as the medium of exchange.

This may be at odds with the government's foreign affairs policy and the national security policy, which concerns the military. But the truth is that there are no permanent allies. In this age, every country does what is best for it.

For this reason, they will not support Sihanouk's coalition forever. The reality is that Vietnam will definitely "swallow" Cambodia. Yes, they will swallow Cambodia just as they swallowed Laos, to which no one paid any attention.

We can't put any hope in the empty promises of the United States. When Thailand asked to sell just a few textiles, they put great pressure on us. And so it is hardly likely that they will provide help on a major issue.

We should change our policy and attitude. If we just let things go on as they are, we will not have time to make adjustments later on. We will not be able to solve the chronic problems that the countries that claim to love peace have placed at our doorstep, such as the hundreds of thousands of refugees. What will we do when these countries show their true colors and turn their backs on these problems?

This is not a groundless concern. In the future, the countries in this region will have to take responsibility for things. There are no real friends or permanent enemies. If the national interests of countries happen to coincide, they will work together and get along.

If there is a third world war, it will be an economic war. In the future, Thailand may be the "big shot" in this region if the opportunity presents itself and we seize the moment. Let's not become engrossed in the evil nature of humans. There is nothing that is certain.

11943

CSO: 4207/294

THAILAND

EX-GENERAL'S KIN SUSPECTED IN NEW SHARE SWINDLE

Bangkok THAI RAT in Thai 30 Aug 85 pp 1, 7, 20

[Article]

[Excerpt] Mrs Wasana Rattanasangsaengsi, age 45, who lives at 361 Thesaban Nimittai Lane (Soi 7), Prachachun Road, Bangkok Metropolitan, an official with the Foreign Sales and Service Section of the Express Transportation Organization of Thailand and the wife of Wing Commander Sombat Rattanasangsaengsi, Mrs Phonphit Thongprida, age 50, who lives at 47/5 Ban Mai in Pak Kret District, Nonthaburi Province, the wife of Col Manun Thongprida, an officer subordinate to the Army Armory Section, and a group of more than 100 people went and asked Police Cpt Amnat Insomchai, the officer on duty at the Phyathai police station, to take action against Mr Charoensuk Ditsathabanchong, age 48, who lives at Ban Thiison, Project 5, Soi Lat Phrao 87, Bangkok Metropolitan, and who is the newpew of Gen Rien Ditsathabanchong, the former chief of staff officers, Mr Ruangyot Osathit and Mr Worawuti Lipisunthon for conspiring to swindle people and for violating the Act on Loans That Defraud the People.

Mrs Wasana Rattanasangsaengsi said that at the beginning of November 1984, Wing Commander Sombat, her husband, learned from his superior officer that people had opened a company named the Wisanukit Company Ltd at 1054 Phetburi Mai Road, Bangkok Metropolitan. This company was involved in trading agricultural goods. It was seeking investors. It said that it would pay interest of 8 percent a month. The managing director of this company was Mr Charoensuk Ditsathabanchong, the nephew of Gen Rien Ditsathabanchong, the former chief of staff officers. Mr Ruangyot Osathit was the chairman of the board, and Mr Worawuti Lipisunthon was a member of the board. Thus, she went to the company's office and talked with Mr Charoensuk, who had been granted authority by Mr Ruangyot. He said that the company was involved in selling agricultural goods abroad and that it was trying to raise capital. Investors would be paid interest of 8 percent. They could come and collect their interest each month.

Mrs Wasana said that she initially invested 338,000 baht. A contract was drawn up between her and the company. Mr Charoensuk signed the contract and affixed his seal. She was to receive 27,040 baht a month in interest. On 6 February 1985, she invested another 10,000 baht. And on 8 March 1985, she invested another 15,000 baht for a total of 363,000 baht. The company signed a contract and gave her a receipt for the money.

Mrs Phonphit Thongprida stated that she invested 246,000 baht. The others invested various amounts, with the smallest investment being 12,000 baht. Altogether, these people invested at least 100 million baht. At first, the company paid them the interest each month. But yesterday morning, when they went to the company, they found that the office was closed and locked. No one was there. Thus, they went to inform the police. After being informed of this, Police Lt Col Banchop Sutchai, the chief inspector at the Phayathai police station, reported this to Police Maj Gen Sawaeng Thirasawat, the deputy commissioner of the Metropolitan Police.

At the Thong Lo police station, there are reports that the station was informed about a share fund case involving the Krutsasibala Company. The Suppression Division is handling the matter. The managing director of the company was Mr Krutsa Thinaphong, age 32. Mr Chaloemchok Chaowaphanit and Mr Sutthi Khlangphloi were members of the board. Their office was located on the seventh floor of the Ratchaphak Building on Osoke Road, Bangkok Metropolitan. They claimed to be engaged in the sale of immovable and moveable properties. Investors were to be paid interest of 10 percent semiannually. Altogether, 467 people invested a total of 64,690,000 baht.

Police Col Rangsi Thongkraisaen, the superintendent of Metropolitan Police Precinct 12, turned this case over to Police Col Somphong Buntham, the deputy commander of the Suppression Division. During questioning, a group captain from the air force Directorate of Transportation stated that initially, she invested money in the Soemkit Company, of which Mr Krutsa was a board member. But Mr Krutsa left this company and persuaded her to take her money out of this company and invest it with him. Police Maj Phet Sathong-un, the inspector for investigation at the Thong Lo police station, was ordered to handle this case. But to date, police have been unable to locate and arrest Mr Krutsa and the other board members.

11943

CSO: 4207/294

THAILAND

BRIEFS

AMBASSADOR TO ITALY--The Foreign Ministry announced on 3 September that Thailand's nomination of Suchinda Yongsunthon as ambassador extraordinary and plenipotentiary to Italy had been approved by the Italian Government. [Summary] [Bangkok Voice of Free Asia in Thai 1030 GMT 3 Sep 85]

FRG ASSISTANCE--A memorandum on development cooperation between the FRG and Thailand was signed under which the FRG Government agreed to provide Thailand 550 million baht, or about DM60 million, in grants and low-interest loans to finance Thailand's development projects in 1985. Of the amount, DM25 million will be in grants and DM35 million in low-interest loans. [Summary] [Bangkok Voice of Free Asia in Thai 1030 GMT 3 Sep 85]

PROFESSOR INVOLVED IN COUP--According to a latest news report, the latest arrested by police authorities in the connection of the arrest warrants for the 40 suspects on rebellion charge was Saman Ngamsanit, a lecturer of the Sukhothai Thammathirat Open University. Saman was arrested at 1900 on 19 September and is one of the 28 suspects who have been arrested by the police. The police are now trying to arrest the 12 other suspects who are still at large. However, it is believed that the police will not be able to arrest all of the remaining 12 suspects since several have already fled away from the country. [Text] [Bangkok NAE0 NA in Thai 22 Sep 85 p 14]

BUDGET BILL PASSES--The House of Representatives met at 1935 today to continue readings of the 1986 Draft Budget Bill. House Speaker Uthai Phimchaichon presided over the session. The House today debated budgets of the Justice Ministry; the Science, Technology, and Energy Ministry; the Education Ministry; and the Public Health Ministry. The budgets were approved by the assembly and at 1200 the budget of the Industry Ministry was deliberated. At 1215 today the House of Representatives finished the readings of the 29 articles and voted unanimously to approve the draft bill in the 3d reading as well as suggestions made by the House Ordinary Committees. [Text] [Bangkok Domestic Service in Thai 0530 GMT 13 Sep 85]

COUP PLOTTERS LIST COMPILED--Governor of the State Railway of Thailand [SRT] Banyong Saralam said on 12 September that some railway workers who were involved in the 9 September unrest have not yet been arrested. The SRT has formed a committee to compile a list of about 300 workers who were absent from work on 9 September. These workers were employed at the plants at Makkasan and Bang Su and at the track maintenance plant. The SRT will consider disciplinary action against them while the police will consider possible criminal prosecution. Banyong said that Amat Khamthetthong, president of the Labor Congress of Thailand, has fled arrest to the north, not to the south as reported. He said railway workers who participated in the unrest held a planning session in room 903 of a hotel on Ratchadaphisek Road in Bangkok. [Text] [Bangkok NAO NA in Thai 13 Sep 85 p 16]

MESSAGES ON COUP--U.S. Ambassador William A. Brown has submitted a letter to Prime Minister General Prem Tinsulanon relaying a message from U.S. President Ronald Reagan. The message says that the United States is greatly relieved that the coup attempt against the duly constituted government failed quickly. It is impressed as the Government's firm response. In this situation, the President reiterates support and continued good wishes for the prime minister. Chinese Ambassador Zhang Dewei also delivered a letter relaying a message from Prc Premier Zhao Ziyang to the prime minister. The message says that after learning about the incident on 9 September in which the Thai Government successfully maintained peace and restored internal security of Thailand, the premier conveys good wishes to the prime minister. At the same time, Chinese leaders convey their greetings to their majesties the king and queen. In addition, the PRC premier expressed his sincere wish for the continued unity, security and happiness of Thailand and the Thai people. [Text] [Bangkok Domestic Service in Thai 1300 GMT 17 Sep 85]

CSO: 4207/302

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

KHIEU SAMPHAN MESSAGE TO EGYPT FOREIGN MINISTER

BK250512 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2315 GMT 24 Sep 85

[13 September message from Khieu Samphan, DK vice president in charge of
foreign affairs, to Dr Esmat Abdel Meguid, foreign minister of the Arab Repub-
lic of Egypt]

[Text] Excellency: I have the honor to express my profound thanks to your
message affirming the support of the Arab Republic of Egypt for the call for
a complete foreign troop withdrawal from Cambodia.

In its support for our just struggle, the Arab Republic of Egypt has shown its
determination to defend the UN Charter, the principles of the Nonaligned Move-
ment, international law, peace, justice, and the respect of each state's ter-
ritorial integrity. The Cambodian people and the Democratic Kampuchean Govern-
ment will never forget the historic contributions of the Arab Republic of
Egypt to their just struggle for the survival of their nation.

Please, Your Excellency, accept my highest considerations.

[Dated] 13 September 1985

[Signed] Khieu Samphan

Vice President of Democratic Kampuchea in charge of foreign affairs

CSO: 4212/108

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK COMMENTARY URGES MORE PRESSURE ON VIETNAM

BK230806 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
22 Sep 85

[Station commentary: "It Is Necessary To exert Further All Forms of Pressure on the Hanoi Vietnamese Aggressors To Force Them To Withdraw All Aggressor Troops from Cambodian in Accordance With UN Resolutions"]

[Text] During their 19 September talks in Beijing, PRC Premier Zhao Ziyang and Singapore Prime Minister Le Kuan Yew agreed that because Vietnam has not shown its intention to withdraw its troops from Cambodia, the world community must continue to support the Cambodian resistance forces' struggle and put additional pressure on Vietnam.

For almost 7 years now, the Hanoi Vietnamese aggressors have sent hundreds of thousands of troops to invade and occupy Cambodia in a gross and truculent violation of the norms governing international relations and the UN Charter. Due to the Vietnamese aggression in Cambodia. The country has suffered most serious destruction, millions of Cambodians have been killed, and millions of others have become refugees. It has also destroyed peace and security in Thailand and in the whole of Southeast Asia. This is why the world community and the United Nations have sought every means to resolve the Cambodian problem, which was caused by this Vietnamese aggression, by calling on the Hanoi authorities to withdraw all their aggressor troops from Cambodia and respect the Cambodian people's right to self-determination free from any outside pressure or interference.

After the elapse of 7 years, although the overwhelming majority of peace- and justice-loving countries in this country have continued their condemnations and their demands for the total withdrawal of Vietnamese troops from Cambodia and although the UN General Assembly has adopted six resolutions calling for a political settlement of the Cambodian problem through the immediate and unconditional withdrawal of all Vietnamese troops from Cambodia, the Vietnamese aggressors still stubbornly refuse to respect and implement the UN resolutions. They have refused to withdraw their troops from Cambodia on the demand of the world community. On the contrary, the Vietnamese aggressors have been resorting to all tricky maneuvers regarding the Cambodian problem, such as deceitful talks, [word indistinct] peace, partial troop withdrawals, and withdrawal of troops in this or that year and have continued to set one condition after

another. Their aim in doing this is to bury the UN resolutions on Cambodia, avoid withdrawing their troops from Cambodia, relax world pressure, and delay the settlement of the Cambodian problem to make the world community become bored with and forget the Cambodian problem.

Recently, before the opening of the 40th UN General Assembly session, the Hanoi authorities launched more deceitful propaganda in an attempt to divert world attention from the Cambodian problem and turn the problem of Vietnamese aggression against Cambodia into a regional problem, thus keeping Vietnam from being condemned by the world. But, the world community has become well aware of the true, tricky nature of the Hanoi Vietnamese aggressors and expansionists and their deceitful maneuvers. People in the world know very well that until now the Hanoi authorities have neither changed their attitude toward the Cambodian problem nor have they abandoned their design to annex Cambodia to set up an Indochina Federation and their ambition to dominate Southeast Asia. The Vietnamese authorities have carried on their deceitful maneuvers to enable them to occupy Cambodia forever. The world community has thus realized that it is necessary further to join hands in exerting all forms of pressure on the Hanoi authorities--economically, politically, diplomatically, and militarily--to force them to consent to resolve the Cambodian problem through political means by withdrawing all their aggressor troops from Cambodia in accordance with the UN resolutions.

The Cambodian people, who are suffering miserably due to the Vietnamese war of aggression, want neither a war nor a delay in ending this war. The Cambodian people have been compelled to wage this armed struggle against the Vietnamese aggressors only because they want to defend and preserve the Cambodian nation and race forever. However, the Cambodian people and the CGDK want a political settlement of the Cambodian problem based on the UN resolutions on Cambodia and the statement of the International Conference on Kampuchea, that is, the withdrawal of all Vietnamese aggressor troops from Cambodia and respect for the Cambodian people's right to self-determination free from any outside interference. Therefore, the Cambodian people would like to appeal to all peace- and justice-loving countries throughout the world that are members of the United Nations to raise their voice further in condemnation of the Vietnamese aggressors at the current UN General Assembly session in particular and jointly to put all kinds of effective pressure on Vietnam to force it to respect and implement the six UN resolutions, adopted by overwhelming majority votes, calling on it to withdraw all its troops from Cambodia and respect the Cambodian people's right to self-determination free from any outside interference.

Only with the world community jointly pressuring the Hanoi Vietnamese aggressors in coordination with the struggle waged on the Cambodian battlefield by the Cambodian people and Cambodian patriotic forces will Vietnam be compelled to withdraw all its troops from Cambodia. Only after Vietnam withdraws all its troops from Cambodia will Cambodia again become an independent, peaceful, neutral, and nonaligned country; will Cambodia be able to enjoy peace; and will Southeast Asia enjoy peace and stability. All this will contribute to the defense of peace in the world.

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

KHIEU SAMPHAN THANKS SFRY FOREIGN MINISTER

BK240308 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2315 GMT 23 Sep 85

[13 September message from Khieu Samphan, vice president of Democratic Kampuchea
in charge of foreign affairs, to SFRY Foreign Minister Raif Dizdarevic]

[Text] Excellency, I have the honor to express my profound thanks for your
message of 21 August 1985.

I would like to express once again the thanks of the Cambodian people and the
Democratic Kampuchean Government to the SFRY's noble support for our just struggle.
In its support for our just struggle, the SFRY has shown its determination
to defend the UN Charter, the principles of the Nonaligned Movement, international
law, peace, justice, and the respect of each state's territorial
integrity. The Cambodian people and the Democratic Kampuchean Government will
never forget the historic contributions of the SFRY to our just struggle for
the survival of our nation.

Would Your Excellency accept my highest considerations?

[Dated] 13 September 1985

[Signed] Khieu Samphan, vice president of Democratic Kampuchea in charge of
foreign affairs

CSO: 4212/108

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK REPORTS DK TROOPS BATTLE ACTIVITIES

BK240622 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
23 Sep 85

[Station commentary: "At the End of This Rainy Season, Our National Army and Guerrillas Have Vigorously Intensified Their Activities Against the Vietnamese Enemy Aggressors Throughout the Country With the Active Mastery of the Situation and Initiatives"]

[Text] During this rainy season, the Vietnamese enemy aggressors have successively sent more fresh troops from Vietnam to Cambodia. From 20 August to 7 September, they sent more than 10,000 fresh troops to Cambodia. At the beginning of September, an East German ship transported Soviet military materiel including ammunition, artillery, and tanks to the Cambodian port of Kompong Som. This is in preparation for a big offensive to kill our Cambodian people in the 1985-86 dry season.

However, during the same period--from the end of August to mid-September--our National Army and guerrillas have vigorously intensified the battle activities against the Vietnamese enemy aggressors all over the country with the mastery of the situation and initiatives, especially along battlefields around the Tonle Sap Lake, the areas adjacent to Phnom Penh, and the regions along Cambodia's western border. We have attacked and destroyed important strategic positions, ammunition depots, and foodstuffs storehouses of the Vietnamese enemy. We have smashed small- and medium-size offensive by the Vietnamese enemy aggressors. We have attacked, swept, and scuttled the economic and state power bases of the Vietnamese enemy aggressors throughout the country, particularly in the five provinces around the Tonle Sap Lake. We have even attacked the Vietnamese enemy aggressors in various areas adjacent to Phnom Penh. The Vietnamese enemy aggressors have panicked and are very scared. The victories scored by our National Army and guerrillas have clamored from one battlefield to another.

On 31 August, we attacked and occupied the positions of the 14th and 36th armored regiments at Phnum Sampeou, Battambang Province. We killed many Vietnamese enemy soldiers and destroyed a number of their tanks, armored vehicles, and weapons a quantity of ammunition. On 6 September, we attacked and destroyed the Vietnamese enemy's regiment position at O Roluos, Mondolkiri Province. We killed many Vietnamese enemy soldiers. We destroyed a number of positions and weapons and a quantity of military materiel of the enemy. On 14 and 15 September, we launched a sweeping operation against the Vietnamese enemy

aggressors along the Tonle Sap River and Route 5 from Prek Sdei to Prek Phneou. We killed many Vietnamese enemy soldiers. We destroyed a number of motorboats and boats of the Vietnamese enemy. We also liberated all villages in this region. On 14 September, we attacked the Vietnamese enemy aggressors and their positions in Prek Phéou township for the second time. This township is located only 6 kms from Kilo Lek Pram Muoy, Phnom Penh. From 14 to 16 September, we launched a sweeping operation against the Vietnamese enemy aggressors along nearly 20 kms of the Tonle Sap River Prek Kdam and Kompong Luong townships to Kompong Ta Ches Township. We killed many Vietnamese enemy soldiers and destroyed a number of their positions and a quantity of military materiel. We also liberated all villages along the Tonle Sap River in this region.

On 17 September, we pursued our sweeping operation against the Vietnamese enemy aggressors from Kompong Ta Ches Township to Kompong Leng Township, Kompong Chhnang Province. We killed many Vietnamese enemy soldiers and destroyed a number of their positions. We also liberated many villages in this area. On 19 September, we attacked, destroyed, and completely occupied the command post of the Vietnamese enemy's 330th Division and its artillery position at Treng, Samlot battlefield. We killed many Vietnamese enemy soldiers and destroyed much of their artillery and many of their ammunition depots and materiel storehouses. On 4 September, we attacked and cut nearly 30 km of Route 6 from Siem Reap Town to Damdek Township, Siem Reap battlefield. We completely cut the Vietnamese enemy's supply line from Kompong Thom to Siem Reap and from Siem Reap to Kompong Thom. All of these are only some concrete examples of our attacks against the Vietnamese enemy aggressors' important strategic positions. Concurrently, we have also intensified our activities to cut small and large strategic supply lines of the Vietnamese enemy everywhere in the country. In particular, we have cut Routes 6 and 5, the Tonle Sap River route, and the two railroads from Phnom Penh to Battambang and to Kompong Som. We have repeatedly obstructed the Vietnamese enemy's transports. The Vietnamese enemy aggressors cannot use these important strategic lines as they wish.

In sum, the Vietnamese enemy aggressors are encountering many more difficulties on the Cambodian battlefield at the end of this rainy season. They are on the defensive everywhere. They have panicked and lost the mastery of the situation. We have advanced steadily in all fields. We have successively initiated the attacks on the Vietnamese enemy aggressors at many important strategic places. Furthermore, we have increased our guerrilla activities throughout the country from the western border region to the eastern region adjacent to the Vietnamese border. We have killed many enemy soldiers daily. We have liberated many more villages, communes, and districts. We have strengthened and developed our guerrilla bases.

Moreover, we have called on the Cambodian people all over the country to rise up, struggle against, oppose, and attack the Vietnamese enemy aggressors. Our people throughout the country--in the liberated zones and in the regions temporarily controlled by the Vietnamese enemy--have been strongly encouraged. They have actively contributed to the struggle against the Vietnamese enemy aggressors. They are also determined to assist and support our National Army

in every way as much as they can. They have pledged to cooperate with our National Army and guerrillas in the struggle against the Vietnamese enemy aggressors to liberate completely their villages and our beloved Cambodian fatherland from the claws of the aggressors.

Our National Army and guerrillas throughout the country are also determined to raise aloft the banner of the great national union. They have pledged to continue to unite with all other patriotic resistance forces and our people all over the country to pursue our struggle against the Vietnamese enemy aggressors. They have striven to score maximum victories at the end of this rainy season to achieve more successes during the forthcoming dry season.

CSO: 4212/108

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

SIHANOUK DENOUNCES 'VIETNAMIZATION' OF CAMBODIA

BK241145 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
23 Sep 85

[Text] At his press conference in Brussels, Belgium, on 20 September, Samdech Norodom Sihanouk, president of Democratic Kampuchea, said: The Vietnamese have occupied Cambodia, exploited Cambodia's natural resources, and Vietnamized Cambodian culture. The Samdech stated: The Vietnamese pose a serious threat to Cambodia. Half a million Vietnamese have now settled in Cambodian villages, districts, and provinces adjacent to the Vietnamese border. The Vietnamese are constantly Vietnamizing Cambodia's culture and have stripped Cambodian of its resources.

The Samdech added: Since invading Cambodia, the Vietnamese have made every effort to wipe out Cambodian resistance forces to clear the way to Vietnamize Cambodia. But they have failed. At present, the resistance forces of the CGDK are cooperating closely with each other and have scored many victories in their various military operations.

CSO: 4212/108

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

PHNOM PENH 'ORDERED' TO SEND LETTER TO UN

BK210207 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2315 GMT 20 Sep 85

[Text] Before the opening of the 40th session of the UN General Assembly, there have been reports saying that the Hanoi Vietnamese authorities ordered the Vietnamese authorities in Phnom Penh to write a letter to the UN Secretary General about the formula of Vietnamese call the process of national reconciliation of the Cambodian nation to be used as a means to resolve the Cambodian issue. The real goal of the Vietnamese is to eliminate the Democratic Kampuchean side, which is currently fighting the Vietnamese and, at the same time, to break national unity and destroy the CGDK. This is a political and diplomatic ploy the Vietnamese authorities have made up to dupe the UN General Assembly and to avoid being condemned as in previous years. However, despite this attempt, observers think that the Vietnamese aggressors will face more serious defeats at this 40th session of the UN General Assembly.

CSO: 4212/108

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

CAMBODIAN SOLDIERS DESERT

100 in S. Sisophon

BK250612 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2315 GMT 24 Sep 85

[Text] One hundred Cambodian soldiers, who were forced and sent to the south Sisophon battlefield to serve the Vietnamese offensive in the forthcoming 8th dry season, deserted when they arrived at Ampil Pram Daeum on 18 September. These Cambodian soldiers have understood clearly about the Vietnamese enemy's Khmerization policy of the war by making the Cambodians fighting their own compatriots so that they will be able to swallow Cambodia and make it a part of Vietnam.

On their way home, these Cambodian soldiers met our guerrillas who were told that there were many other Cambodian soldiers who had deserted from the Vietnamese ranks. Small numbers of Cambodian soldiers and even whole units of Cambodian soldiers deserted. At present, there are many other Cambodian soldiers who are seeking the opportunity to desert.

VODK Commentary

BK250618 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
24 Sep 85

["News Commentary": "Thirty-four Cambodian Soldiers posted in Kralanh District Desert and Return Home"]

[Text] On 9 September, 34 Cambodian soldiers posted at Svay Leu position, Kralanh District, Siem Reap Province, deserted and returned home. The cause is that these Cambodian soldiers do not want to carry arms and die at the Vietnamese place.

At present, many Cambodian soldiers, who were forced by the Vietnamese enemy aggressors to carry weapons and serve them, have deserted from the Vietnamese ranks because they have clearly realized the Vietnamese enemy aggressors' genocidal policy against our Cambodian race. These Cambodian soldiers have seen that the Vietnamese enemy aggressors have massacred our people, plundered

our people's belongings, and destroyed our national culture and soul with all their means. Therefore, the danger caused by Vietnam's aggression and occupation of Cambodia is very serious for our entire nation.

Thus, these Cambodian soldiers decided not to serve the Vietnamese nor to be indifferent and let the Vietnamese enemy aggressors massacre their compatriots. They must unite and struggle against the Vietnamese enemy aggressors. Cambodian soldiers must desert the Vietnamese enemy aggressors and cooperate with our nation and people in the struggle against the aggressors for the survival of our Cambodian nation and race.

CSO: 4212/108

INTERNATIONAL RELATIONS, TRADE AND AID

PRC, OTHERS SEND NATIONAL DAY GREETINGS

OW111325 Hanoi VNA in French 0528 GMT 11 Sep 85

[Text] Hanoi, VNA, 10 September--On the occasion of Vietnam's 40th national anniversary, the Vietnamese leaders have received messages of greetings from leaders of Ethiopia, Yemen, Mozambique, and China.

The message from Mengistu Haile Mariam, general secretary of the Ethiopian Workers' Party and chairman of the provisional military and administrative council of socialist Ethiopia, says:

I am confident that the friendly relations and cooperation between our two countries in the common struggle against colonialism and imperialism and for freedom, peace, and justice will be further strengthened and developed in the interest of our two peoples.

The message from 'Ali Nasir Muhammad, general secretary of the Yemeni Socialist Party Central Committee and chairman of the Presidium of the PDRY Supreme People's Council, says:

On this occasion, the Yemani people reaffirm their solidarity with the heroic Vietnamese people in their struggle against all maneuvers of imperialist and reactionary forces aimed at sabotaging the revolutionary gains and sovereignty of the Vietnamese people.

Samora Moises Machel, chairman of the Frelimo Party and president of the Republic of Mozambique, says in his message:

As always, the Mozambican people admire the willpower and determination of the Vietnamese people. The Vietnamese people's great achievements in political, economic, social, cultural, scientific, and technological domains have made Vietnam a socialist country respected by all peoples.

The message from Li Xiannian, PRC president, to Truong Chinh, chairman of the Vietnamese State Council, says:

On the occasion of the 40th founding anniversary of the Socialist Republic of Vietnam, I wish to convey my warm greetings to the fraternal Vietnamese people.

China and Vietnam share mountains and rivers; the peoples of the two countries are bound together by the time-honored traditional friendship. The government and people of China always treasure that friendship and have contributed their efforts to improving the relations between China and Vietnam as well as developing the friendship between the peoples of the two countries. We hope that the Chinese side's efforts will be positively responded to in favor of the normalization of the relations between the two countries.

CSO: 4219/73

INTERNATIONAL RELATIONS, TRADE AND AID

AGREEMENT MADE WITH SWEDEN TO IMPROVE BAI BANG LABOR CONDITIONS

Stockholm DAGENS NYHETER in Swedish 8 Sep 85 p 6

[Text] Vietnam is now going to meet the Swedish Government halfway and is presenting the first part of a reform plan for treatment of forestry workers in Bai Bang.

At a meeting in Hanoi between representatives of the Vietnam Forestry Ministry and Swedish Embassy staff, the Vietnamese presented--according to the television news report--this plan:

--The forestry workers' wages are to be raised by 80 percent.

--Vacation time is to be extended from 12 to 20 days per year.

--A contract system is to be gradually introduced, which is a reply to Sweden's demand that the workers period of employment must be limited.

--Recruitment must be done on a voluntary basis, and no one is to be forced to remain working in the forest, according to the Vietnamese government. There is also being considered introducing a system whereby there would be a three month trial period of employment.

Mosquito Nets

The forestry workers are to be supplied with covers, cloth, mosquito nets, notebooks, paper, and protective clothing.

The Swedish Government on several occasions following the Hanoi meeting in May explained how important it is that negotiations on the forestry workers' situation continue.

If no improvements are made in the living conditions, material circumstances and work conditions, Swedish support cannot be provided to the forestry aspect of the project after 1 July next year, writes Gosta Edgren, permanent under secretary in the Foreign Ministry, in a letter to the management of SIDA [Swedish International Development Agency].

Seriousness

SIDA's general director, Car Tham, has now sent a letter to the government with comments on the new response from Vietnam.

"My impression is mainly that the Vietnamese Government is taking these questions very seriously, and that they are willing to bring about essential improvements for the forestry workers," said Tham on the TV news program Saturday [7 September]; "It is clear that it is still too early to make any final judgment."

Decision by Next Year

"The plan is that we will now work together with the Vietnamese authorities on these matters in the fall. We will then take a final position at the beginning of next year. When applying to this part of the project, those demands which the Swedish Government specified through SIDA must be fulfilled in order for us to be able to continue," said Tham.

CSO: 3650/345

ECONOMIC PLANNING, TRADE AND FINANCE

ARTICLE DISCUSSES SOCIALIST SOCIALIZATION OF PRODUCTION

Hanoi TAP CHI KE HOACH HOA in Vietnamese Jun 85 pp 9-12

[Article by Tran Trung Hau, MA, level-I professor, College of Economics and Planning: "Socialist Socialization of Production in Our Country's Economic Management Today"]

[Text]

I

In the socialist system, the socialization of production consists of two closely related processes: socialization of labor and socialization of the means of production. Therefore, the socialist socialization of production covers both the production force and production relationships in an interacting relationship. In order to clarify that socialization is the scientific basis of the economic line and policy, we must analyze more deeply the components of socialist socialization from the standpoint of logic and the interaction of the production force and production relationships.

The system of socialist production relationships is a complex economic system of many planes. In our opinion, we must divide the system of socialist economic relationships into two subsystems: the socioeconomic relationships and the organizational-economic relationships. This is because the system of production relationships is expressed in two forms: the mode of possession and the mode of management organization. The mode of possession characterizes the movement that the socialist production tends to make and the productive nature of the entire system of production relationships; the mode of management determines the mechanism for organizing social production, through which the mode of possession is carried out in the economic sense.

The socioeconomic relationships are the basic production relationships. They characterize the social structure of possession of the means of production, are the basis of the system of production relationships and the unification of interests, and are the social structure of the combination of the two basic factors of production -- labor and the means of production.

As to the organizational-economic relationships, they are the ones between man and man that are formed in the process of division of productive labor. Compared to the socioeconomic relationships, they have new contents and a complex internal structure (to be distinguished from the organizational-technical relationships) consisting of:

- Concrete forms of organization of production being considered from the economic rather than technical angle.
- Economic relations among producers in the course of production and the use of production factors being considered by their value rather than in the natural form of things.
- Economic relationships among various aspects of the division of social labor for achieving exchanges of activities and products in social production. These are floating relations in the production relationships and actual interrelations among enterprises, sectors, and so on.
- Managerial-legal relationships being formed in the course of the planned management of the economy and the systematic use of economic levers.

Thus the socialist organizational-economic relationships consist of "continuing" and "connecting" factors of the production relationships and superstructure -- the factors that connect the material and technical conditions of production with the socialist system of public ownership of the means of production, with the economic base and superstructure. Therefore, they are an important link that cannot fail to exist in the mechanism of interacting between the production force and the production relationships, in other words among the three factors of the economy-production structure.

On the basis of the above analysis, we think that:

1. The socialist socialization of production consists of three aspects -- the socioeconomic, organizational-economic and material-technical aspects. The three aspects have interrelations and interaction, in which the organizational-economic aspect of socialization is the mechanism that serves as an intermediary for the other two. The interrelations and interaction among them are the actual expression of the action of a law requiring that production relationships be suitable for the nature and capabilities of the production force.
2. The socialist socialization of production is the most common category of the socialist mode of production; the basic tendency of the socialist economic development; and the starting point and important basis of all economic line and policies of the proletarian dictatorship state.

II

The socialist socialization of production is a development process of many stages. The first stage coincides with the period of transition to socialism.

On the basis of the above theory on socialization; the basic characteristics of our country's revolution, namely, moving toward socialism without going through the capitalist development stage; the argument of Marx saying that "A society... cannot bypass and use decrees to abolish the stage of natural development it originally has, but it can shorten the period of pregnancy and reduce the pains of birth in such stages" *; and the socialist-construction realities in our country in the past years, we think that:

1. The process of socializing production in the transitional period in Vietnam must be one that combines and simultaneously carries out the three "connecting" aspects -- the socioeconomic, organizational-economic and material-technical aspects. The socialist socialization in the socioeconomic aspect serves as a basis for establishing the system of socialist production relationships; unifying all interests in social production; and directly combining the production force and natural resources with our country's abundant labor, hence paving the way for further development of the production force. This is the process of affirming, consolidating and perfecting the socialist system of public ownership of the means of production in both forms and building the collective ownership system in the economy.

As to the material-technical aspect, this is the process of socializing the production force and building the material-technical base of socialism by the road to industrialization. Through it creating the material base for the organizational-economic aspect of socialization, creating the material prerequisite for the plan and consolidating and perfecting the socioeconomic relationships.

As to the organizational-economic aspect of socialization, it serves as the mechanism for intermediary action between the socioeconomic and material-technical aspects of socialization, helps to achieve the public ownership system in the economy and fully uses all existing capabilities. This is a process of creating a direct combination of the means of production and natural resources with our abundant labor and doing away with the divided, scattered and unbalanced character of the small-scale production and the state of economic separation among the various parts of the process of division of social labor.

* Karl Marx: "Capital," Book I, Volume 1, Su That Publishing House, Hanoi, 1961, p 17.

What is important and fundamental is how to make these three aspects fit together nicely in every step of the way, everywhere, at any time and in any period. To do so, we must know how to build at the right time and in time the appropriate organizational-economic relationships, for they are the necessary and indispensable part in the mechanism of interaction between the production force and production relationships. Our experience in the past years has shown that as we failed to see and there still remained weaknesses in the building of organizational-economic relationships, the production force and production relationships in our country did not as yet link together closely, nor did they interact with each other in a sound manner; as a result, the three revolutions have not yet developed their combined strength.

2. The socialist socialization of production in the transitional period in our country in the three (socioeconomic, organizational-economic and material-technical) aspects being linked together in every step of the way is the basic economic development tendency in the transitional period, for it satisfies the requirement of the law that says the production relationships must be suitable for the nature and development capabilities of the production force. It reflects the actual action of the common law and becomes itself the economic limit of the application of the objective economic laws in the transitional period and the basis for devising all economic line and policies in this period. Any application of these laws, any economic line and policy and any economic form which do not originate from the socialization capabilities of production will lead either to bureaucratic order-obeying centralization or anarchic decentralization. In our country today, we must fight both tendencies in economic management. In our opinion, the reason behind the tendency to escape from realities and to be impatient toward the reality of planned management of the national economy is our failure to consider from a total perspective the effects of the objective and subjective factors in economic development. The point to be raised is we must determine the objective realistic material conditions that force people to achieve specific relationships in social production. We do not deny the objectiveness of the laws, but we have underestimated and failed to carry out properly a scientific and accurate analysis of the objective material conditions that determine the necessity and direction of economic activities and, therefore, did not set forth in time any appropriate and effective management and planning measures.

III

A series of problems arising from improving our country's present management mechanism have to do with the organizational-economic relationships. According to Lenin, this is "the realistic and meticulous organizing work taking place everyday and every hour and being of special importance in the

building of society, with the majority of the people being petty bourgeois."* About this point, we have a number of ideas to offer as follows.

1. In the present stage of our country, first of all we must recognize and correctly evaluate the organizational-economic relationships. The socialist socialization of the economy in the transitional period in our country, in terms of the organizational-economic aspect, is the process of achieving a direct combination of the production force and natural resources with our abundant labor and of doing away with the state of economic separation among the various aspects of the division of social labor and with the divided and scattered character of social production, as well as building a new rational economic structure. With such a content, the organizational-economic relationships are the intermediary link that creates interaction between the socialist social system and the material and technical base and between the revolution in production relationships and the scientific and technical revolution. Through the organizational-economic relationships, the socialist social system will be realized in terms of the economy; the production factors will be combined more closely and rationally; labor cooperation will be broadened on a larger scale; and a new rational economic structure will be created. In short, they represent the quality of the socialist production relationships.

Our experience in the past years has shown that although we already had a socialist public ownership system for the means of production and an initial material base for large-scale production, our social production has remained a divided and scattered small-scale one and our economy has encountered many difficulties that should not exist; for an important part, it was because we had not yet fully recognized the position and role of the organizational-economic relationships, did not build at the right time and in time appropriate organizational-economic relationships and still underestimated the need to consolidate and perfect the socialist production relationships in terms of the organizational-economic aspect.

2. The building of the organizational-economic relationships must be carried out in a voluntary and well-planned manner. First of all, we must make sure that these relationships remain suitable for the capabilities we have achieved and the tendency of the production force to develop itself. The more suitable the organizational-economic relationships, and through them the entire system of social relationships, are for the production force, the more effectively the labor, materials, financial and natural resources will be used. We have learned quite a few lessons of experience about escaping from reality (by both being too late and too impatient) in the efforts to set up unions of enterprises, to reorganize production, to do economic accounting, and so on.

* V.I. Lenin: "The Immediate Tasks of the Soviet Administration," "Complete Works," Vol 36, Progress Publishing House, Moscow, 1977, pp 207-208.

In addition, as we deal with the organizational-economic relationships, we must thoroughly understand and rely on the principle of democratic centralism in economic matters.

In economic matters, the state of being well-planned is a unified one and opposite to both the state of being centralized and the state of being independent and self-ruled, with the former being the guiding one. If we build the state of being centralized outside of its opposition, this will lead to a bureaucratic state of being centralized and a formalistic state of being well-planned. And on the contrary, the state of being independent outside of its opposition will lead to spontaneity and economic inequality. Therefore, in the management of lateral and vertical economic relationships and the achievement of economic interests of the participating parties, we must ensure for all economic units under centralized leadership a definite degree of independence and self-rule in conducting their business and a definite amount of economic equality.

The two tendencies, bureaucratic centralism and anarchic decentralization, which we must continue to fight and which presently exist in our country in many areas (planning, economic accounting, circulation, etc.), also originate from the way to carry out this principle.

3. However, in order to properly resolve and avoid the shortcomings we have had in the recent period, in our opinion we must consider and resolve the internal contradictions of the socialist economic system (contradictions between the unified character of the national economy and the relative economic separation among the parts of the social labor division, contradictions among the economic interests, and so on). There are specific ways to deal with the internal contradictions of socialism, which are different from dealing with the antagonistic contradictions. The question is not to abolish one of the aspects of the contradictions, but rather to pay attention to both aspects of the contradictions and the opposing character of the state of being unified, to find a formula for effectively combining them and to develop interaction between the two aspects.

4. The organizational-economic relationships are very closely related to the labor matters: labor productivity, labor quality and compensation for labor. Next to the system of socialist ownership of the means of production, the relationships with labor are the most important factor of the system of socialist production relationships and of perfecting this system.

- Under socialism, labor is obligation and interests, as well as the basis of the latter and of the standard of living. Creative, honest and devoted labor is the basis of the socialist way of life. This requires that we have correct and appropriate organization of labor and remuneration for labor. At the present time, the remuneration for labor has been separated from its basis, which is

labor. Once the resolving of interests is separated from the basis of labor, the principle of distributing in accordance with labor is violated, distribution itself is disturbed and the labor attitude will lose its socialist character.

As we deal with the wages matter, we must make a distinction between wages of laborers doing productive work and the professional administrative field. Wages of production units have a dual character: the unified stable character, because they come from the value of the necessary product and are dependent on the unified pay schedule and pay grades; and the nonunified and unstable character, for they are dependent on quality, the results of business of an enterprise. Consequently, on the one hand, we must ensure the unified character of paying wages; on the other hand, there must be attention paid to the unstable aspect of wages, which is achieved by giving enterprises the right to have specific independence and self-rule in paying wages to laborers.

- Dealing with the wages matter must be linked with such matters as goods and prices. The multifaceted differences of prices compared to the value of many consumer items today not only affect calculating the actual expending of social labor and ensuring the state of being balanced of social reproduction in a unified form between value and use value and weaken economic accounting, but also create irrational consumption and make distribution in accordance with labor become incorrect. In addition, a large volume of allowances for making consumer goods also is a factor that violates distribution in accordance with labor and creates an irrational situation in the consumption budget. Therefore, we think that we must gradually bring prices closer to the necessary expending of social labor and consider the monetary aspect of wages and the degree of socialization involved.

Under our present conditions, along with urgently resolving the labor reproduction and compensation matters, we must ensure and emphasize consolidating and strengthening labor discipline, which is a special productive force and a contributing measure for productivity of cooperative labor. Under the conditions of socialized production, production discipline is a combination of plan discipline, contract discipline, financial discipline and industrial discipline. These forms of discipline are closely related. The fact that production discipline and its combined character have been seriously violated (plans were not implemented; contracts were broken; in financial matters, expenses were held up, and so on) was because we failed to attach importance to building the organizational-economic relationships. The socialist labor discipline is not consolidated only by strengthening the educational, legal, administrative and other measures but also by building appropriate organizational-economic relationships.